

SECTION 1: COVER PAGE

National Instrument 43-101F1

SUMMARY REPORT

on the

TORO BLANCO (TAMBO NUEVO 15) PROPERTY

**SOUTHWEST
PERU**

For

RAE-WALLACE MINING COMPANY.

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SECTION 3: SUMMARY

The 900-hectare Toro Blanco gold project in southwest Peru is one of eight properties acquired by Rae-Wallace Mining Company (the Company) from Geologix Explorations Incorporated (Geologix) under the terms of an option agreement announced on March 25, 2010.

In order to earn 100% interest in the eight Peruvian properties, the Company has paid Geologix US\$97,500, has issued share certificates to the value of US\$250,000 and has agreed to several other minor conditions described more fully in Section 6 (Property Description and Location).

The Toro Blanco property was acquired by Geologix in 2005 based on an alteration anomaly (detected remotely by satellite imagery) suggesting argillic and silicic alteration typical of high-sulphidation epithermal gold mineralization. Recently, Geologix decided to relinquish property assets in Peru and made a corporate decision to concentrate exploration efforts on more advanced opportunities in Mexico.

This report, written by John Brophy (an independent qualified person), deals exclusively with the Toro Blanco property. The Company's intention is to organize an Initial Public Offering (IPO) based on this report describing high-sulphidation epithermal-style mineralization at Toro Blanco, and based also on an earlier 43-101 report recently completed by the author describing low-sulphidation gold-silver targets on a larger property in southwest Peru known as Liscay (*Brophy, 2010*).

Like most epithermal gold-deposit camps in Peru (for example; Yanacocha, Pierina, Alta Chicama, Tres Cruces, Arcata, etc), the Toro Blanco property is mainly underlain by Tertiary-aged volcanics and related coeval intrusions. No significant precious-metal mineralization had been reported from the Toro Blanco property prior to the exploration work done by Geologix and Rae-Wallace Mining Company (as described in this report).

Work done on the Toro Blanco property by Geologix and Rae-Wallace Mining Company between 2005 and 2010 included the property-wide collection of 542 rock samples, rudimentary geological and alteration mapping, a soil-sampling program (550 samples, half of which were taken outside of the limits of the claim), and a six-line cumulatively 18.8-km-long geophysical survey comprising reconnaissance-scale, east-west IP-Resistivity transects separated by 400 meters.

The results of this work strongly suggest that Toro Blanco is a high-sulphidation, epithermal precious-metal prospect based on physical characteristics (age and lithology of host rocks), alteration assemblages (intermediate to advanced argillic alteration), elemental associations (Mo, Cu and Pb anomalies) and geophysical responses (chargeability anomalies associated with resistivity anomalies) across a part of the property denominated

the “P-Zone”, which has an area of more than 90 hectares. Within the P-Zone, the median gold value of 293 rock samples collected (including 94 channels from 4 trenches) is 30 ppb and the average gold value is 51 ppb (maximum value 976 ppb). Outside of the P-Zone, the median gold value of 249 rock samples collected (including 25 channels from one trench) is <5 ppb and the average gold value is 9 ppb. Only five geochemically anomalous gold results (maximum 244 ppb) were obtained outboard of the P-Zone. Lineament analysis suggests that the P-Zone might be associated with an east-northeasterly-trending sinuous structure denominated the “S” Structure. Gold anomalies (up to 662 ppb) in soil samples suggest that the size of the P-Zone can probably be extended along the trajectory of the “S” Structure to the southwest of the P-Zone.

The author has had the good fortune to work on numerous high-sulphidation epithermal prospects in Peru, and realizes one fact that is not commonly appreciated; that there are many high-sulphidation epithermal systems that have the correct alteration, the correct age (Tertiary), the correct host rocks (volcanics), and yet barely a trace of economically valuable metals. The acid-sulphate solutions that generated these alteration zones were barren. Of course, these prospects are rarely mentioned in the geological literature (because they are of no economic interest), and so there are scarce references available that can be included in Section 23 (References).

In the case of Toro Blanco, there is a large area (>90 hectares in the P-Zone) that has the correct alteration of a high-sulphidation system, the correct age, the correct host rocks, and also carries geochemically anomalous concentrations of gold, molybdenum and other elements. Because of this, the author concludes that Toro Blanco is a property of merit that warrants additional exploration to locate drill targets.

The author is firm in his belief, based on the existing information, that Toro Blanco should be drilled, but that this should be done only after additional exploration to better define drill targets. With a little more exploration effort, the author is confident that specific drill targets will be identified. Consequently, although the author includes reconnaissance-scale drilling in his recommendations, he does not propose specific sites for drilling.

Here are the author’s recommendations:

1. The P-Zone and its possible extensions, as inferred by rock-geochemical and soil-geochemical information, are the obvious targets for first-priority evaluation. Saturation sampling, detailed geological mapping and detailed alteration mapping are recommended.
2. The author has noted that a great deal of the property consists of colluvial cover, and has noted that “soil” sampling of colluvial fines has detected the P-Zone and potential extensions to the southwest. Systematic contour sampling of colluvial fines is recommended for the entire property. Contour sampling should be done at vertical intervals of 100 meters and at horizontal intervals of 100 meters.
3. All samples taken in the survey (colluvial fines and outcrop samples) should be analyzed by PIMA (portable infrared mapping analysis) as well as by routine gold fire assay and multi-element ICP. PIMA can help to identify acid-alteration

assemblages (clay, silica, alunite, etc) that, together with standard information, can assist in drill-target definition.

4. Reconnaissance-level drilling of 1200 meters in four vertical holes is proposed to test the P-Zone to a depth of 300 meters.

A budget of US\$300,000 is detailed in Table 22-1, Section 22 (Recommendations) in support of the above program.

SECTION 4: INTRODUCTION & TERMS OF REFERENCE

4.1: GENERAL

In November of 2010, the author was asked by George Cole, President and Chief Executive Officer of Rae-Wallace Mining Company (RWMC), to review exploration work (mapping, rock sampling, trenching, soil sampling and geophysics) that was done on the 900-hectare Toro Blanco property (Tambo Nuevo 15 claim) in southwest Peru between 2005 and 2010, and to write a 43-101 report on the property in support of an Initial Public Offering (IPO) planned in the near future.

RWMC is an Idaho- registered, publicly trading mineral exploration company that is listed on the OTC Markets Pink Sheets with the trading symbol of RAEW. The corporate head office is located in Sparks, Nevada, USA. A subsidiary company formed to manage Peruvian operations is called Rae Wallace Peru (RWP).

The author, John Brophy, is an “independent qualified person” according to definitions established in National Instrument 43-101. The author has no shares or interests in RWMC, RWP, or any affiliated company, and will not receive any considerations from RWMC, RWP or any affiliated companies except for fair remuneration for the preparation of this report. The author assumes sole responsibility for the contents of this report, with the exception of disclaimers listed in Section 5.

The Toro Blanco gold property is one of eight properties in southwest Peru that RWMC obtained from Geologix Explorations Inc (GIX) under terms of an option agreement documented in news releases issued by both companies on March 25th, 2010. To summarize the agreement; RWMC made cash payments to GIX of US\$97,500 and transfers to GIX amounting to a total value of US\$250,000 in RWMC shares in order to earn a 100% interest in these properties. Details of the agreement, including other minor provisions, are given in Section 6.

The work reviewed and reported on herein was done by GIX and RWP between 2005 and 2010.

The author has had no involvement in the exploration programs reported herein, but has verified the information to the best of his ability, as described in Section 16 (Data Verification). The author spent one day on the property (November 8th, 2010), and has spent weeks sifting through and evaluating information contained in extensive files inherited by RWMC from GIX, and additional information generated recently by RWMC.

The author requested that RWMC provide a summary of exploration expenditures on the Toro Blanco property for the years 2008 to 2010 (two years of GIC stewardship, and one year of RWMC stewardship). Table 4-1 was provided documenting expenditures of approximately US\$185,000.

TABLE 4-1: TORO BLANCO EXPLORATION EXENIDITURES

Toro Blanco Cost Category	Cost US\$
General & Administrative Expenses	\$54,166.00
Field Labor	\$10,932.00
Field Supplies, Maps	\$12.00
Camp Cost	\$4,464.00
Other Misc.	\$2,284.00
Equipment Rental / Repair	\$2,203.00
Transportation	\$1,276.00
Assays	\$4,502.00
Meals	\$3,614.00
Consultants (mainly geological contractors)	\$49,577.00
Travel	\$2,191.00
Annual Concession Fees	\$2,759.00
Courier / Postage	\$6.00
Geophysics Surveys	\$32,220.00
Valuation Reports	\$4,472.00
Communities	\$1,552.00
Payroll (in house)	\$8,075.00
TOTAL	\$184,305.00

It is the author's opinion that, considering the work done, (\pm 500 rock samples collected and analyzed, trenching, geological mapping, soil sampling, alteration mapping, \pm 20 line-km of geophysical surveying, wages and benefits, Peruvian office costs, head-office costs, drafting services, claim fees, notaries' fees, lawyer's fees, etc.), that US\$184,000 is a very conservative estimate of the amount of money that has been expended on the Toro Blanco property to date.

4-2: UNITS AND CURRENCY

All measurements in this report are in metric units, except for the occasional use of opt (ounces per ton). Common abbreviations are as follows:

m = meters

km = kilometre

ppm = parts per million

ppb = parts per billion

g/t = grams per metric tonne = ppm

opt = ounces per ton = 34.2857 g/t

ASL = above sea level

avg = average (sum of all values divided by population number)

med = median (50%-ile value; half of the values in the population are higher, and half are lower).

“Tambo Nuevo 15” (the formal name of the claim) and the “Toro Blanco Property” (the formal name of the project) are used interchangeably.

Most maps and co-ordinates in this report presented using UTM datum WGS 84. The only exception is in Section 6 (Property Description), where UTM datum PSA 56 is sometimes used for reasons that are explained in the text.

Dollar amounts are in United States dollars.

4-3: SOURCES OF INFORMATION AND DATA

This report is based mainly on files inherited by RWMC from the GIX-NMC joint venture and files presented to the author documenting work done by RWMC in 2010. These include voluminous quantities of information such as geological reports, geochemical reports, laboratory certificates, database files, news releases, geophysical reports, published government reports, memoranda, orthophotos and a plethora of maps presented in various formats.

A good deal of the information can not be attributed, because specific authors, titles and dates can not be formally referenced. Wherever attributable information is available, it has been referenced in Section 23. The author expresses his confidence in the information inasmuch as, in his opinion, it is all plausible (the plodding results of routine exploration conducted over a period of years), that there are no extraordinary results or claims that alarm the author, and that the source of the information is from GIX, NMC and RWMC; three reputable companies who have a history of responsible behaviour reporting accurate exploration results.

SECTION 5: DISCLAIMER

The author has not relied on any reports by unqualified persons for information on legal, environmental or political issues and factors relevant to this technical report. The author has relied on a technically unqualified person who is a highly experienced and respected geophysicist (Dr. Van Blaricom) for information and interpretations concerning the geophysical survey completed on the Toro Blanco property. Dr. Van Blaricom's geophysical report is attached as an appendix to this report and is summarized in Section 12.

SECTION 6: PROPERTY DESCRIPTION AND LOCATION

6-1: GENERAL INFORMATION

The Toro Blanco Project comprises the 900-hectare "Tambo Nuevo 15" concession located on the Huachocolpa (27n) map sheet in the Pilpichaca District (Huaytara Province, Huancavelica Department) of southwestern Peru (Figures 6-1 and 6.2). The Toro Blanco property is neither patented nor surveyed, as there is no legal requirement for this in Peru.

Figure 6-1 is a claim map of the property obtained by the author from MEM (Ministerio de Energia y Minas) on November 2, 2010. (Note that the datum for this map is PSA 56, which is the datum used by the government to record map staking.) Another map, Figure 6-2, shows the claim, topography, roads and exterior coordinates using datum WGS-84.

Registration data for the claim are shown in Table 6-1, and claim coordinates are shown in Table 6-2. The author has verified that full title to the Toro Blanco concession has recently been transferred to RWMC and that the claim is in good standing until June 30, 2011. On or before that date, "vigencias" (claim fees) of US\$3.00 per hectare must be paid to maintain the property in good standing for an additional year. This is the only obligation imposed by Peruvian Mining Law to maintain concessions in good standing for the first seven years after the date of original staking. Thereafter, certain annually-escalating penalties are applied if certain expenditures for exploration or exploitation are not committed (and reported) on the property. Such penalties will not be applied to the Toro Blanco concession before June of 2011, and may not be applied at all if adequate work is documented.

TABLE 6-1: REGISTRATION DATA, TAMBO NUEVO 15

CODE	STATUS	CLAIM	TITLE HOLDER	HECTARES
010280304	Titled D.L. 708	Tambo Nuevo 15	Rae Wallace Peru S.A.C.	900

TABLE 6-2: VERTICES, TAMBO NUEVO 15

VERTEX NW PSA 56	VERTEX NE PSA 56	VERTEX SE PSA 56	VERTEX SW PSA 56
512000E-8533000N	515000E-8533000N	515000E-8530000N	512000E-8530000N
VERTEX NW WGS 84	VERTEX NE WGS 84	VERTEX SE WGS 84	VERTEX SW WGS 84
511776E-8532634N	514776E-8532634N	514776E-8529634N	511776E-8529634N

There are no specific licenses or permits required for routine exploration of mineral properties in Peru, although there are common-sense guidelines regarding community relationships. However, once a project has advanced to the drill stage or beyond, an Environmental Impact Statement (EIS) must be completed. This involves a study of water quality, flora and fauna, archeological features, environmental issues, social benefits, surface rights, community consultations, and a reclamation plan.

To the best of the author's knowledge, the Toro Blanco property is not subject to any environmental liabilities.

6-2: PAYMENTS AND AGREEMENTS

In 2009, Geologix Explorations Inc (GIX) made a corporate decision to dispose of assets in Peru due to a downturn in the global economy, and to focus exploration efforts on advanced projects in Mexico. Consequently, the files, material assets and properties of Geologix were optioned to Rae-Wallace Mining Company (the Company). Toro Blanco is one of eight properties involved in this agreement. The terms of the option agreement, as outlined in a GIX news release dated March 25, 2010, are as follows:

Pursuant to the terms of the agreement, in order to earn a 100% interest in the properties, RWMC is to:

- 1. Pay GIX US\$30,000 on signing of the Letter of Intent (LOI). (Payment was delivered on March 8, 2010).*
- 2. Pay GIX US\$67,500 on or before May 31, 2010. Geologix further agrees to use this payment to renew the properties' concessions for 2010.*
- 3. Deliver to GIX shares of RWMC valued at US\$250,000, distributed as follows: i: 500,000 common shares of RWMC to be delivered on or before May 31, 2010, with each share to be accompanied by a half warrant, with each full warrant entitling GIX the right to purchase one additional common share or RWMC for a period of two years from the date the shares are issued; ii: An additional payment of RWMC shares and warrants as described in (i) above, shall be delivered within 10 days*

after RWMC completes a private placement or public financing, but no later than September 30, 2010, such that the total value of shares delivered totals US\$250,000.

Upon completion of the above exchanges and payments, RWMC shall own the properties, and GIX shall execute whatever documents are required to effectuate the exchange of title to the properties of RWMC.

If RWMC or any of its affiliated should sell, lease, transfer, convey or otherwise disposes of any of the properties or enters into an option or agreement to do any of the same, or if it grants a royalty on the properties, or any portion thereof, to a third party before March 8, 2011, RWMC shall pay GIX 20% of the proceeds when received by RWMC from such transaction.

RWMC is not obligated to any work commitment on the properties.

All of the main conditions of the option agreement have been satisfied, and the author has verified (on November 2, 2010) that the claims are in good standing and have recently been transferred to Rae Wallace Peru SAC (the Peruvian subsidiary of the Company).

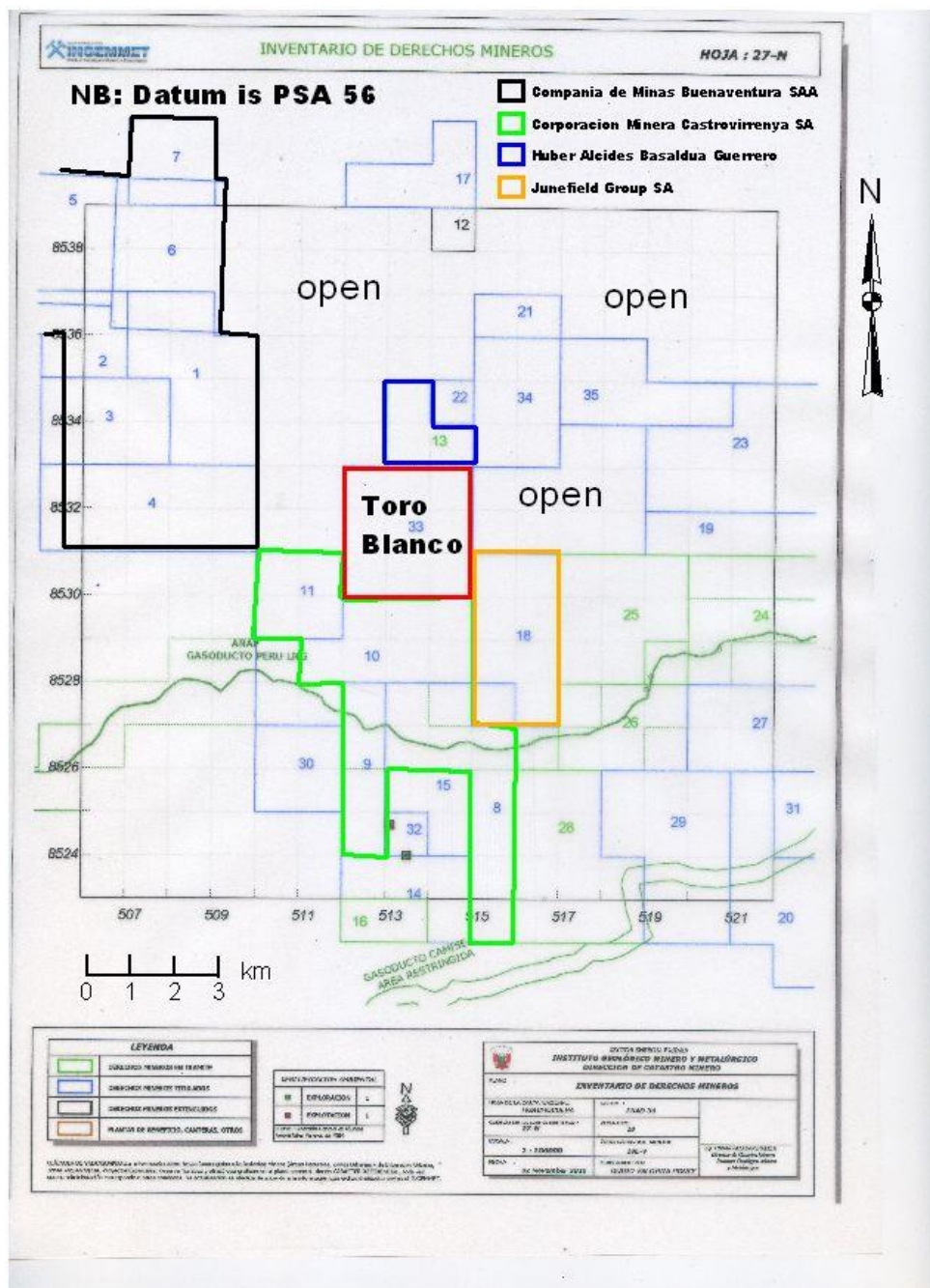


Figure 6-1: Official government claim map (Nov 2 2010) showing the Toro Blanco property and owners of adjacent and subjacent claims.

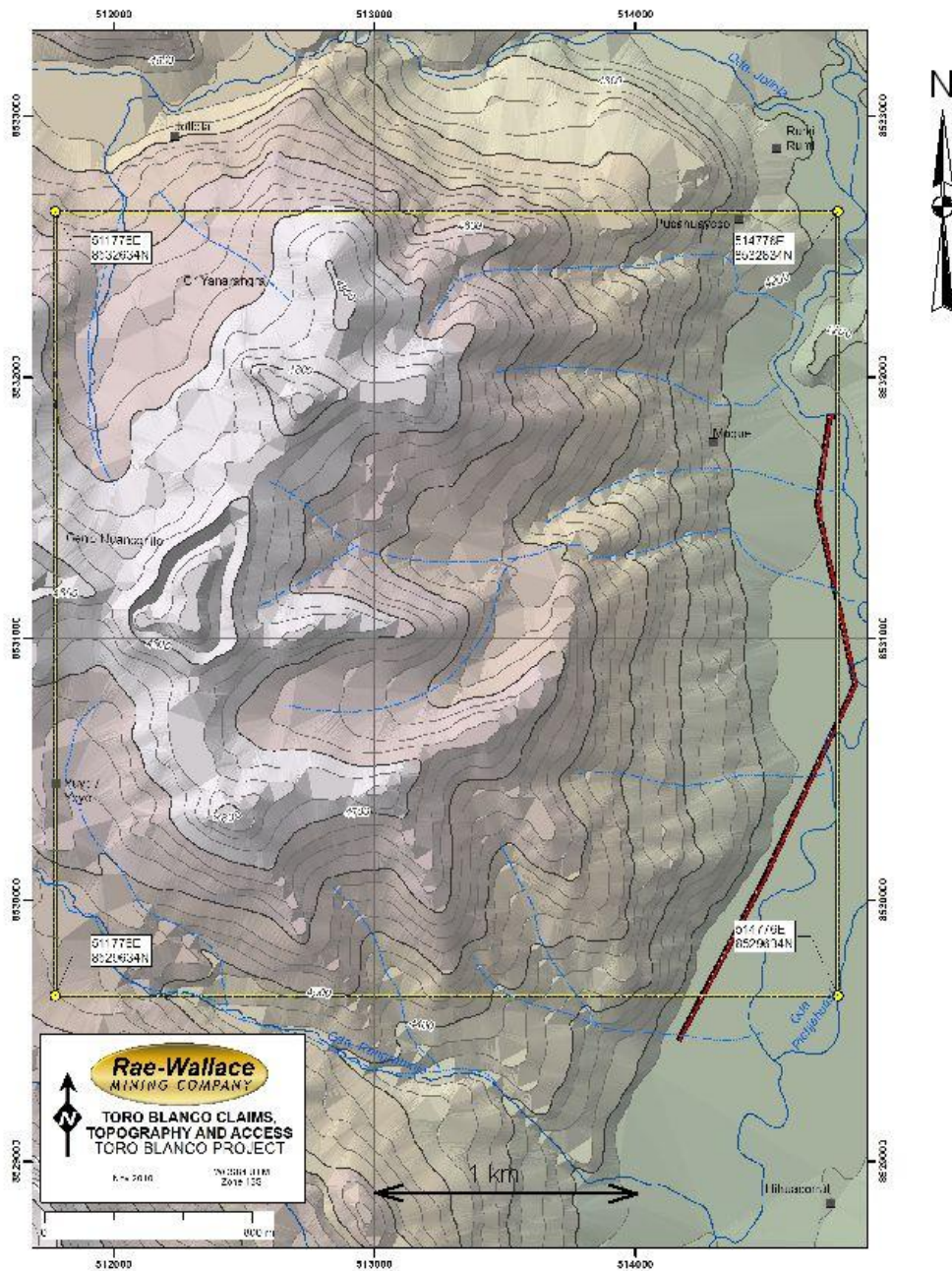


Figure 6-2: Toro Blanco property showing topography, gravel road, and WGS84 coordinates of vertices.

SECTION 7: TOPOGRAPHY, ACCESS, INFRASTRUCTURE, ETC.

7-1: TOPOGRAPHY, ELEVATION AND VEGETATION

The topography of the property is illustrated in Figure 6-2. The westernmost third of the claim encompasses a northerly trending, crescent-shaped, east-concave chain of peaks with altitudes ranging between 4,700 to 4,900 meters ASL. From these heights, the terrain drops at a moderately steep inclination towards the east, culminating in the valley of Rio Tambomachay at an elevation of 4,100 meters ASL. The average slope of the incline is about 18 degrees. It is basically a walk-up or walk-down scenario; there are few topographic swells to break the monotony of the slope. Besides grasses and shrubs at lower elevations that can be used for grazing, the property is otherwise barren of vegetation (see Plate 16-1 in Section 16).

7-2: ACCESS

The Toro Blanco project is 280 km southwest of Lima, the capital of Peru (Figure 7-1). Access by road is as follows:

1. Lima to San Clemente (passing Cañete and Chinchá): 226.5 km, paved, South Pan Americana Highway, time allot is 3.0 hours.
2. San Clemente to turn-off (passing Huaytara and Rumichaka): 218.0 km, paved, Los Libertadores Highway, time allot is 4.0 hours.
3. Turn-off to east boundary of property: 10 km, well-maintained gravel road, time allot is 0.3 hours.

Total road distance is 454.5 km, and cumulative time allot is 7.3 hours. A regular car (as opposed to a 4x4 vehicle) is all that is required to reach the property.

7-3: INFRASTRUCTURE AND LAND USE

The “Los Libertadores” highway is about 10 km to the south of the property. There is electrical service along this route. The property itself is sterile with regards to land use, although there are a few adobe huts (shepherding stations) on the valley floor of Rio Tambomachay in the western extremity of the property. Apart from this, there are no inhabitants, no grazing grounds, no known archeological artifacts, and no agricultural plots. The land is barren, vertiginous, steeply inclined and unsuitable for any other economically viable activity besides mining.

The property is near Lima and is accessible by paved highways from the capital. Consequently, there are no limits to the availability of supplies and personnel to support exploration and development work.



Figure 7-1: Regional Location Map

7-4: CLIMATE

In this part of Peru, there is a rainy season lasting from December through March during which early mornings are generally clear, but late mornings and afternoons are often greeted by torrential rainfalls punctuated by hailstorms and fog that can last well into the evening. The remainder of the year is the “dry season” during which only intermittent rains are encountered. Because of the relatively good access to Toro Blanco, it is possible to work during the rainy season, although not as productively as during the dry season. Temperatures seldom fall below 5° Celsius and seldom rise above 21° Celsius. The average annual temperature is about 13° Celsius.

SECTION 8: HISTORY

Apart from the exploration work done on the Toro Blanco property by GIX and RWMC (as documented in this report) between the years 2005 and 2010, the author is not aware of any previous history of exploration on the claim.

SECTION 9: GEOLOGICAL SETTING

9-1: REGIONAL GEOLOGICAL SETTING

Information on the regional geological setting (Figure 9-1, Table 9-1) is taken mainly from *Morche et al, 1996*. Some of the information, such as the capacity of processing plants and the number of identified mineralized prospects, may be outdated.

The basement rocks in the Huachocolpa quadrangle comprise moderately to intensely folded Paleozoic to Mesozoic sediments including carbonates, calc-arenites, arenites, quartzites and red-bed conglomerates. These are unconformably overlain by pyroclastics and flows of Paleogene to Neogene age cut by numerous stocks, sills and dikes ranging in composition from andesite to rhyodacite. Radiometric dating of the volcanics (*Noble et al, 1972; McKee et al, 1975*) gives ages that fluctuate between 8.2 and 10.4 million years.

The Huachocolpa region is part of what is considered to be one of the most important mineral districts in southwestern Peru. A total of 117 “*mines” have been documented on the Huachocolpa map sheet (*Morche et al, 1996*). Most of these are Ag-Pb-Zn prospects related to quartz veins, and most of the prospects are within volcanics of the Miocene-age Apacheta Formation (Nm-ap2 in Figure 9-1 and Table 9-2). These volcanics (pyroclastic-flow complexes) were generated by a north-northwest-trending chain of stratovolcanoes possibly controlled by a regional structure known as the Chonta Fault. Within the Apacheta Formation, at least 12 centers of hydrothermal alteration have been identified, one of which

corresponds to the Toro Blanco property. The Apacheta Formation is at least 600 meters thick on the Toro Blanco property.

(*Author's note: A "mine" in Peruvian geo-speak can refer to a commercially viable operation, but could just as well refer to a few trenches exposing mineralized rock. The author has no way of distinguishing how many of the "mines" are actually mines, and how many of the "mines" should more accurately be referred to as mineralized prospects. Still, the existence of two flotation mills on the Huachocolpa map sheet [Recuperada at 600 tons per day, and Caudalosa at 700 tons per day, see Figure 9-1] suggests that there were profitable operations supported by the mills in 1996.)

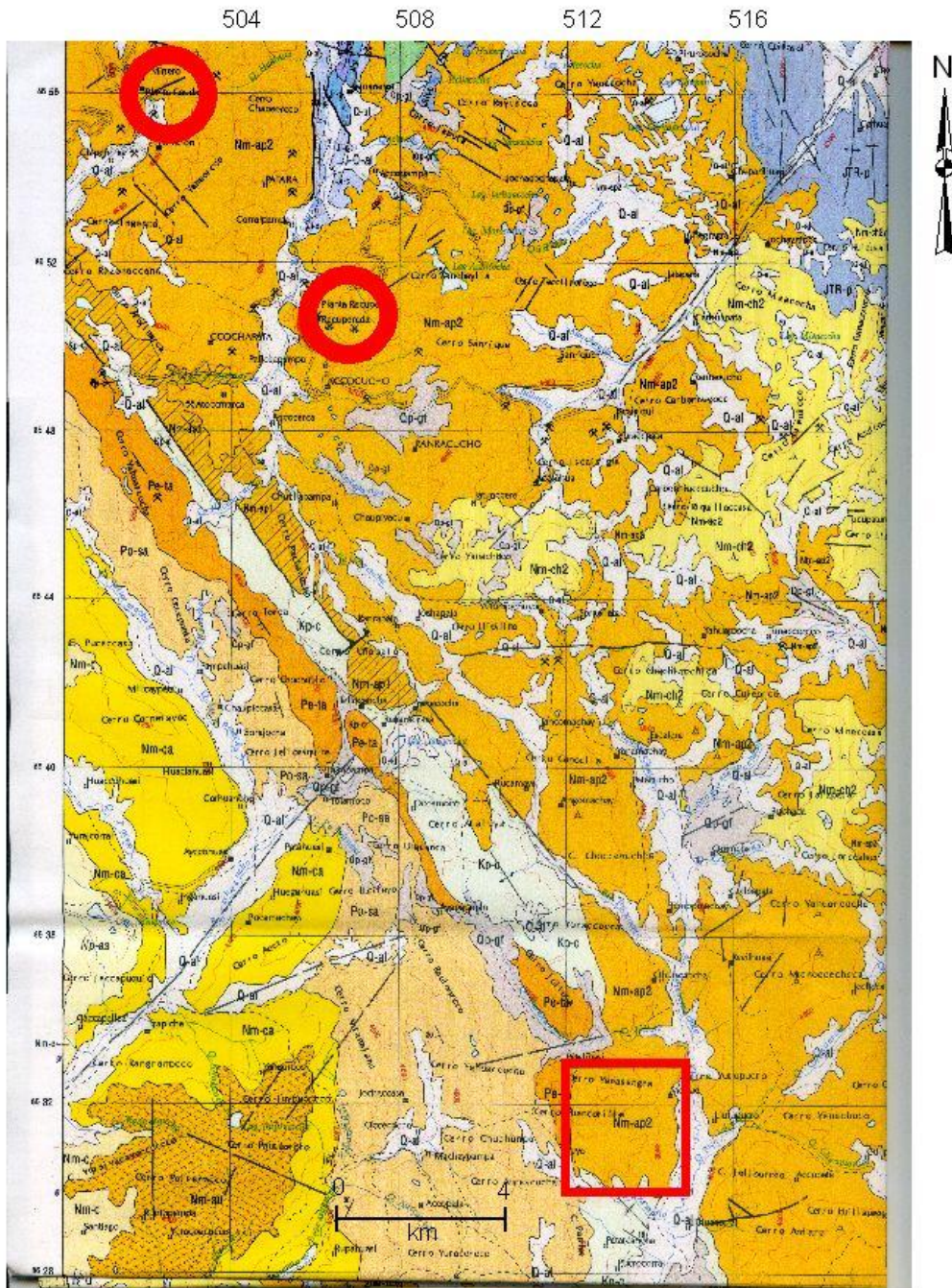


Figure 9-1: Regional geological setting of the Toro Blanco property (red square) showing the locations of the Recuperada and Caudalosa Plants (southern and northern red circles respectively). The crossed pick-and-hammer symbols indicate the locations of the many mines in the area. [After Morche et al, 1996]

LEYENDA (LEGEND)

ERATEMA	ESTENA	SERIE	UNIDADES LITOSTRATIGRAFICAS		RODAS IGNEAS		
			SECUCENCIA OCCIDENTAL	SECUCENCIA ORIENTAL			
CENOZOICO	OLIGOCENO	MILOCENO	Depos. Los Alamos	Q-al			
		MIOCENO	Dep. Bacteriales	Qo-g			
	NEOGENO	PLEISTOCENO	Fm. Azabambé	Np-as	Toba Azabambé	Np-pc3	
		MIOCENO	Fm. Acahuah	Nm-nw	Carreteras y tocan	Np-co2	
			Fm. Candelaria	Nm-ca	Basaltos y andesitos	Np-pc1	
			Fm. Candelaria	Nm-ca	Fm. Chahuama	Nm-ch3	Fm. Rumiñacas
	PALEOGENO	OLIGOCENO	Fm. Candelaria	Nm-ca	Fm. Acahuah	Nm-ch2	
		EOCENO	Fm. Rocaquero	Po-ca	Fm. Candelaria	Nm-ch1	
	MESOZOICO	CRETACEO	PALEOCENO	Fm. Tancá	Pt-x	Fm. Candelaria	Nm-cs1
			EUFENEO	Fm. Candelaria	Kp-c	Fm. Candelaria	Nm-c
INFERIOR			Fm. Candelaria	Kp-c	Fm. Candelaria	Nm-c	
JURASICO		SUPERIOR	Fm. Candelaria	Kp-c	Fm. Candelaria	Nm-c	
		MEDIO	Fm. Candelaria	Kp-c	Fm. Candelaria	Nm-c	
TRIASICO		INFERIOR	Fm. Candelaria	Kp-c	Fm. Candelaria	Nm-c	
		SUPERIOR	Fm. Candelaria	Kp-c	Fm. Candelaria	Nm-c	
PALEOZOICO		PERMIANO	Fm. Candelaria	Kp-c	Fm. Candelaria	Nm-c	
			Fm. Candelaria	Kp-c	Fm. Candelaria	Nm-c	
		DEVONIANO	Fm. Candelaria	Kp-c	Fm. Candelaria	Nm-c	

**Table 9-1: Legend to Figure 9-1
[from Morche et al, 1996]**

9-2: PROPERTY GEOLOGY

The information in this sub-section is taken from *Park (2010)* and is presented verbatim. The geology of the property is presented in Figure 9-2.

“The Toro Blanco property is underlain by an extrusive dome complex of lava and pyroclastic flows of calc-alkaline composition mapped by INGEMMET as part of the upper Apacheta Formation, Huachocolpa Group of middle-Miocene age. The dome complex forms a prominent circular-shaped mountain that fills the 9 sq. km. of the concession area. Topographic relief of this mountain from its base to the highest ridge is 700 m (4,200 to 4,900m).

The predominant rock type in the dome complex is andesite lava and tuffs ranging from porphyritic to fine-grained equigranular groundmass. Dacite, rhyodacite and latite(?) lava flows with highly variable flow foliation orientations are found at high levels in the southern half of the dome edifice overlying andesite flow units. These lavas comprise the “extrusive” portion of the dome complex, but absent are vitrophyres within these flow units suggesting substantial erosion has exposed lower levels of the original dome edifice. An explosion breccia and associated air-fall tuff is exposed on the eastern side of Toro Blanco at lower elevations, probably representing the initial phases of dome emplacement. Volcanic flow units at the base of the dome are generally flat-lying or gently dipping into the Toro Blanco peak.

A small hypabyssal stock of granodiorite/dacite composition was identified intruding the volcanic pile in the east-central portion of the property. Late diabase dikes also cut the volcanic pile throughout the property.

Pyroclastic flow units (ash-flow tuff or ignimbrite) show clearly defined cooling units within individual flows. Sharp contacts between densely-welded tuff overlying poorly-welded tuff are commonly found at low- to mid-level elevations along the east side of the mountain. Vitrophyre cooling units are not as clearly defined since most appear to have been preferentially susceptible to steam-heating or hydrothermal alteration.

Lithology – Volcanic Rocks

Andesite

Most of the volcanic rocks on the property are crystal-rich andesite tuff and lava with plagioclase phenocrysts that range in size from 3 – 10 mm that give the rock a porphyritic texture. Hornblende and biotite are the primary mafic phenocrysts, constituting 15-20% of the total phenocryst content and ranging in size from 1 – 2 mm. Pyroxene is present in minor amounts.

Fine-grained andesite lava flows with a nearly aphanitic texture are intercalated with the porphyritic andesite. Plagioclase and mafic phenocrysts in these flows are <1mm in size.

This aphanitic andesite is distinctive in outcrop since it exhibits finely-parted flow foliation compared to the more massive flows of the porphyritic andesite. In hydrothermally altered areas the fine-grained andesite shows a lesser degree of alteration than adjacent porphyritic units due to its tighter original permeability.

Individual cooling units within the andesite volcanic pile are difficult to distinguish due to the prevalent alteration, although the permeability difference between cooling units may also have controlled the hydrothermal fluid flow and the resulting pattern of alteration on an outcrop scale. Vitrophyre units were tentatively identified on the northern side of the mountain where affects of alteration are weaker.

Bedding of the andesite flows is generally flat-lying or dipping moderately away from the center of the dome as seen near the eastern margin of Toro Blanco.

Explosion Breccia

A poorly-sorted, poorly-bedded breccia unit with centimeter- to meter-sized clasts is found at mid-level elevations on the eastern side of Toro Blanco. Breccia clasts are of dacite hypabyssal intrusive rocks showing a variety of alteration states from argillic to strongly silicic (vuggy silica). Outcrops of this unit range in thickness from 5 – 10 meters.

Overlying the explosion breccia is a unit of unconsolidated air fall tuff approximately 10 meters thick. This unit is not well exposed except where cut through by erosion such as in the creek at 514200E, 8531600N.

The explosion breccia and overlying air-fall tuff represent the initial explosive phase leading to the emplacement of the Toro Blanco dome.

A distinctive breccia outcrop with ferrocrete matrix in the southeastern sector of the property may also be part of this explosion breccia. These outcrops show a moderately steep dip to the southeast away from the dome center. As in the other explosion breccia outcrops to the north, the clasts in this area of outcrop are generally moderately to strongly silicified.

Trachyandesite

Lavas exposed at high elevations in the central-west sector of the property appear to contain a predominance of potassic feldspars and no quartz. These lavas have been tentatively identified as latite or trachyandesite.

Flow-foliation orientation is highly variable in these lavas flows. On the high ridges the lavas show a predominant northwesterly strike direction with varying dip angles.

Dacite – Rhyodacite

The central high ridge of the dome complex is composed of more felsic lavas. These flow

units are distinguished by very fine flow-foliation and crystal-poor content relative to the massive flow units of andesite. Quartz phenocrysts occupy 2-5% of the groundmass with rare sanidine(?) feldspars accompanied by hornblende and biotite.

Lithology – Intrusive Rocks

Diorite Hypabyssal Intrusive

A high ridge in the east-central portion of the property is primarily composed of a diorite hypabyssal intrusive stock hosted in co-magmatic andesite volcanic rocks. The diorite outcrop is oriented NNE along the apparent southeastern rim of the volcanic dome, exposed over a distance of 800 meters and averaging 100 meters wide.

The diorite has a medium to coarsely equigranular texture composed of plagioclase, hornblende and biotite. Most of the ridge is altered to various degrees making it difficult to make a more complete description from hand samples.

The contact between the diorite and andesite is not well defined due to alteration although the presence of a series of hydrothermal breccia structures on the east side of and parallel to the ridge outcrop (discussed below) may mark a contact zone between intrusive and wall rocks.

Another hydrothermal(?) breccia zone within the diorite forming a prominent linear outcrop measuring 50 meters across is found on the northern side of the ridge on trend with a postulated E-W trending fault. The western limits of this breccia are sharply defined against a blocky, massive outcrop of moderately silicified diorite.

A broad area of argillically altered diorite is found below the ridge line on the eastern side toward the north end where the ridge is terminated by a creek. The diorite is exposed as soft sub-crop with abundant stockwork of Fe-oxide-filled fractures.

Dacite Hypabyssal Intrusive

A small-area dacite intrusive rock outcrops in the center of the property (513,310E; 8,531,760N). Phenocrysts of quartz, K-spar and plagioclase are <2mm in size; the groundmass is finely crystalline suggestive of a hypabyssal intrusive. The outcrop has been subject to weak argillic alteration with moderate silicification in the matrix and minor crystalline quartz-(pyrite) veinlets. Fine pyrite is disseminated in the matrix, 1-2%.

Mafic Dikes

Late diabase dikes cut the intermediate volcanic rocks locally at higher elevations on the mountain. The most prominent outcrop is found at 513330E, 8531720N, trending N45W.

Hydrothermal Alteration

Argillic

Most of the rocks on Toro Blanco have the appearance of argillic alteration, either from hydrothermal alteration related to the deposition of mineralization or steam-heated alteration resulting from the cooling process in the volcanic pile.

The key to the difference between these types of alteration is the presence of quartz as veinlets or silicification in the groundmass. Geochemical anomalies (Au + pathfinder values) also help identify hydrothermal alteration.

Argillic alteration on the property is noted where the rock matrix and feldspar phenocrysts are altered to white clay; mafic minerals are altered to iron oxides. Pyrite is commonly found disseminated throughout the rock matrix but may not necessarily be a product of hydrothermal alteration. Silicification of the rock matrix is generally weak.

Primary clay minerals in the zones of argillic alteration were previously identified by GIX as illite and kaolinite.

Advanced Argillic

Advanced argillic alteration is noted where the rock matrix and feldspar phenocrysts are completely altered to clay (kaolinite, dickite, pyrophyllite, sericite) with the presence of alunite replacing feldspar and pumice as pinkish, fine-grained masses or more crystalline tabular forms in larger cavities. Alunite also forms veinlets in wall rock parallel to silicified ribs. Supergene alunite, which is not representative of advanced argillic alteration and notably does not replace feldspar or mafic phenocrysts in the rock matrix, is found locally as fracture filling or veinlets of light brown color and of massive, amorphous form.

Quartz is present as fine veinlets ± pyrite, generally as sheeted veins or as stockworks of quartz veinlets with a dominant orientation. In general the advanced argillic alteration shows stronger silicification of the rock matrix and common disseminated pyrite.

Tourmaline was recognized as fine, black, acicular crystalline clusters filling 2-5% of small vugs in altered andesite along the eastern side of the mountain. In this same area the groundmass of porphyritic andesites is replaced by a dark siliceous filling that in some discrete spots in the groundmass shows a fibrous texture that may reflect quartz-tourmaline-(pyrite) compositions.

Phyllic

Geologix identified several occurrences of illite-muscovite in altered andesite and diorite intrusive outcrops in the east-central sector of the property that coincide with an advanced argillic alteration zone. The phyllic alteration may have over-printed the older advanced-argillic alteration as the ascending fluids in the hydrothermal system became less acidic with an increased component of ground water. This stage of alteration may also have included the tourmaline mineralization observed in the vugs of the silicified andesite.

Silicic

Rock that has been completely replaced by silica is mapped as silicic alteration. Most commonly the replacement by silica results in a vuggy texture due to the leaching of feldspar and mafic phenocrysts. In some locations on the high ridges a light-gray, chalcedonic quartz either replaces the rock matrix or fills fractures forming veinlets and small brecciated zones. Pyrite is generally present in diminished amounts in the vuggy and chalcedonic quartz. The silicic alteration commonly shows dark-gray zones that likely represent an increased content of very fine pyrite in the quartz.

Silicic alteration appears to be controlled by the original permeability of the volcanic units so that a 1-2m-thick flow unit may show silicic alteration sandwiched between argillically altered units with very little silica replacement.

Silicified rib outcrops are common in the northeastern portion of the property with a prominent trend direction of N25-30°W. These are resistant to erosion due to the silica replacement or stockwork of fine quartz \pm pyrite veinlets through the andesite matrix.

Minor amounts of barite were found locally associated with silicic alteration.

Quartz Veining

Quartz veining on the property occurs in localized zones in the volcanic rocks. Most commonly the quartz veins are very fine, < 2mm in width, and have 2 – 5% pyrite content or Fe-oxide minerals where oxidized. Zones of more intense fracture-fill veining show anastomosing veins with widths to 5 cm that grade into breccia zones. Regardless of width or density of veining, most quartz veins are sheeted and dominantly oriented N10-30W. Northeast and E-W orientations of sheeted veins are common but less prominent. Quartz vein stockworks with two or more equally prevalent vein orientations are rare.

At least two generations of quartz veining are evident in outcrop. Veins in NE to E-W orientations represent an earlier generation of hydrothermal activity; these were later cut at high angles by the NNW-oriented veins.

Hydrothermal Breccia

A zone of hydrothermal breccia is exposed below a high ridge in the east-central sector of the property. The high ridge was formed as a result of the pervasive silicification (\pm alunite) of the host andesite volcanic rocks along this trend; parallel to the east of this silicic zone is a swarm of breccia structures 0.5 – 2.0 meters wide trending roughly N-S and cutting porphyritic andesite lava showing nearly horizontal flow foliation. The matrix of the breccia ranges from vuggy or massive silica to a white siliceous material that may be a combination of quartz-alunite (alunite possibly supergene?) with 1-2% disseminated fine-grained pyrite. Andesite clasts in the breccia are all altered by quartz-alunite or pervasive silicification.

A hydrothermal breccia structure found in the NE portion of the property (514060 E, 8531825 N) trends N25E, vertical dip, and averaging 50 cm in width. Angular feldspar and lithic fragments < 1 cm diameter are supported by a vuggy silica matrix with abundant

limonite and hematite. The clasts show a range of alteration grades from argillic to silicic.”

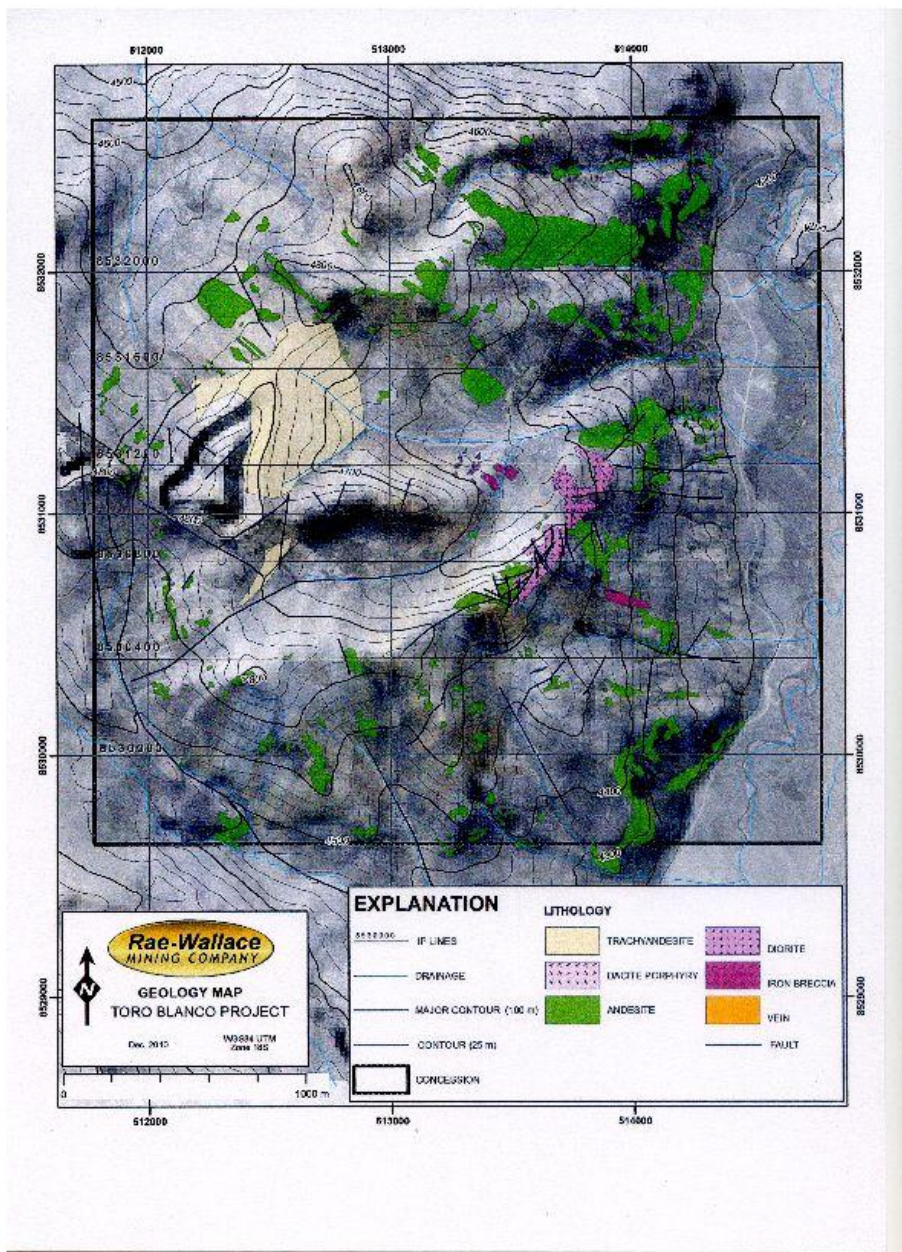


Figure 9-2A: Toro Blanco Geology

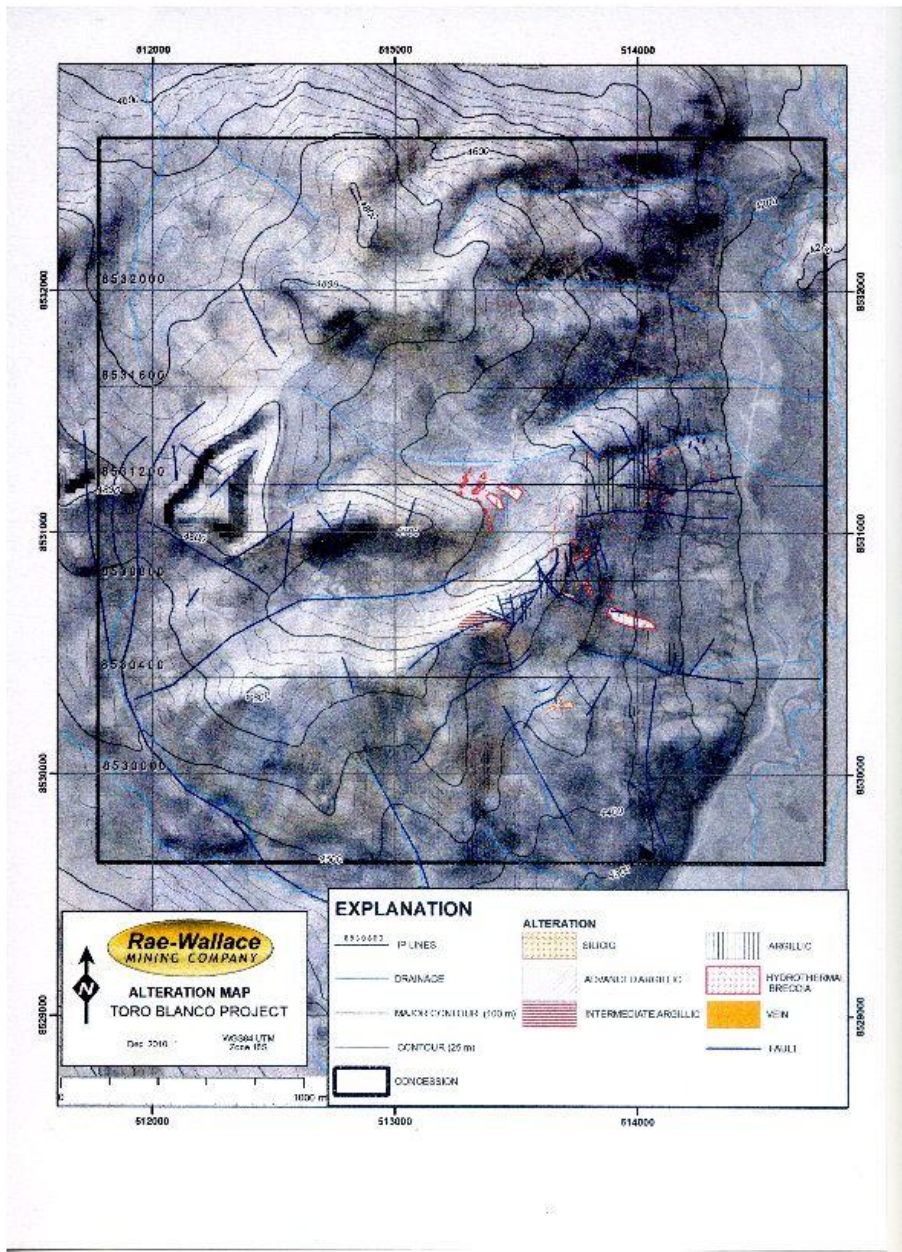


Figure 9-2B: Toro Blanco Alteration

9-3: LINEAMENT ANALYSIS

The author's analysis of linear elements on the property is presented in Figure 9-3. Essentially, there are two main trends, north-northwest and east-west. According to *Morche et al (1996)*, north-northwest-trending tensional fractures control the emplacement of mineralized "cuerpos filinianos" (veined bodies) in the region, and east-west-trending fractures are common conjugates to the north-northwest-trending fractures. They also report that there is little or no displacement associated with these fracture sets.

There is one sinuous feature, referred to as the "S" structure in Figure 9-3, that appears to cut the north-northwesterly and east-west-trending fractures. Because of its shape and the apparent displacement of an east-west lineament, the author is guessing that this is a dextral shear zone or fracture zone. The "S" structure has an overall east-northeast trend and, as will be explained more fully in Section 11, is at least spatially associated with the best-defined zone of gold anomalies.

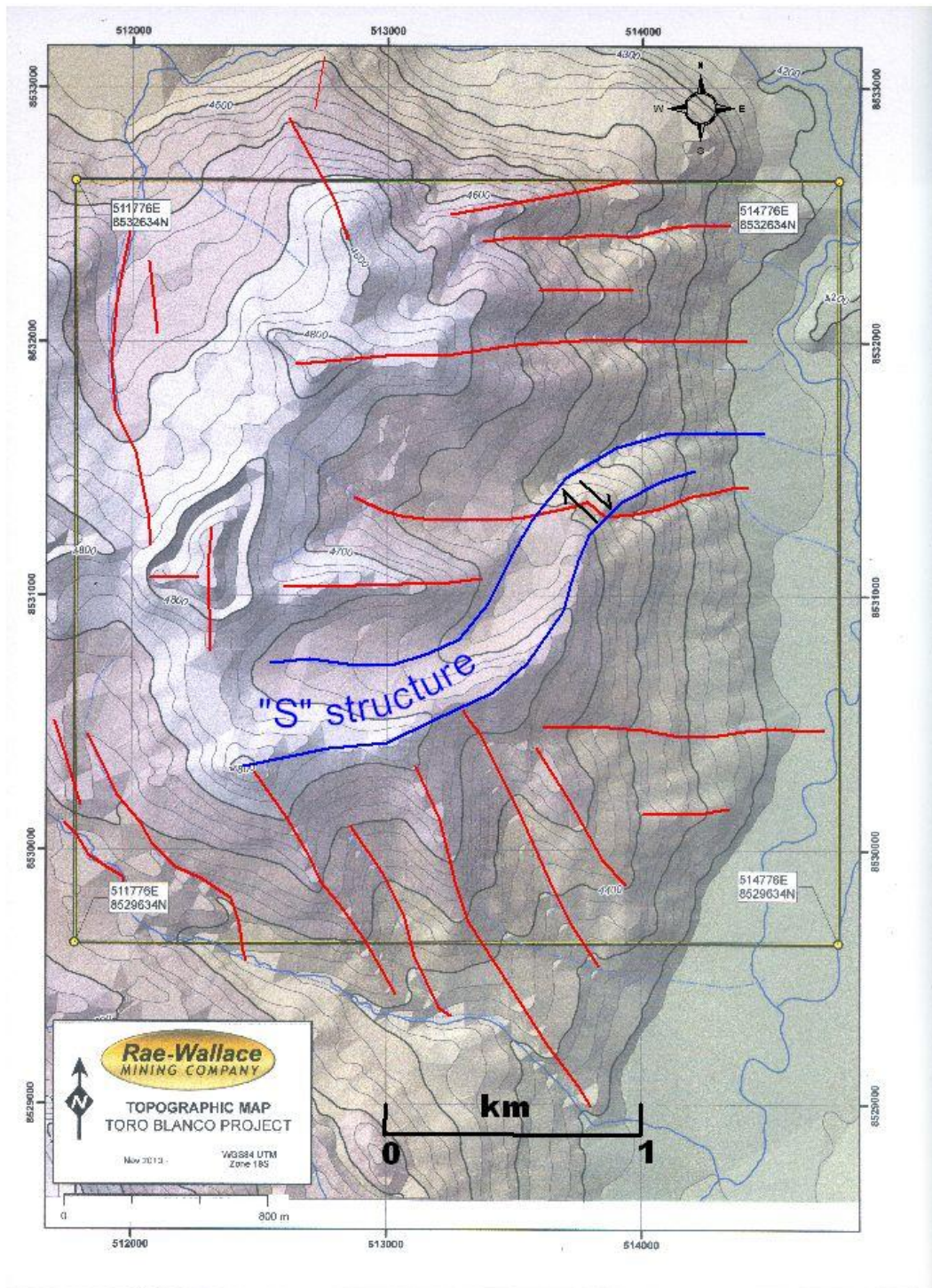


Figure 9--3: Lineament analysis

SECTION 10: DEPOSIT TYPE

Based on the age and lithology of the host rocks and based on the alteration assemblage (intermediate to advanced argillic alteration) there is little doubt that the Toro Blanco property is a high-sulphidation epithermal-gold prospect as defined in numerous publications including *Corbett (2002)*, *Corbett and Leach (1995)*, and *Sillitoe (1993)*. Examples of such deposits in Peru include Yanacocha, Pierina and Alta Chicama. Examples elsewhere in the world include Rodalquilar in Spain, El Indio in Chile, Paradise Peak in Nevada, and Lepanto in the Phillipines (*Hedenquist et al, 1996*)

SECTION 11: MINERALIZATION

No specific mineralized zones have been found on the property. Rather, gold-in-rock geochemical anomalies of up to 976 ppb have been found within a 94-hectare portion of the property referred to as the P-Zone (Polygon Zone). The P-Zone is shown on most of the maps in Section 12 of this report.

The P-Zone is characterized by extensive clay and silica alteration that gives it a bleached appearance that can be appreciated from a distance of kilometers (see Plate 16-1 in Section 16). The P-Zone spans a vertical extent of 300 meters, is 1400 meters long and, on average, is about 700 meters wide. It is centered on the east half of the “S” structure. Indirect evidence (gold anomalies in soil samples and rock geochemical anomalies for molybdenum, which appears to be spatially associated with gold anomalies) suggests that the P-Zone could be extended to the southwest along the “S” structure with further exploration effort.

Within the P-Zone, which occupies about 10% of the Toro Blanco property, gold assays are geochemically anomalous (≥ 40 ppb, maximum 976 ppb) for 101 of the 293 rock samples collected. In other words, 34% of all rock samples taken from the P-Zone have geochemically anomalous concentrations of gold. Although 94 of the 293 rock samples were taken from 4 trenches, this does not affect the statistics inasmuch as the distribution of gold values in the trench samples is similar to the distribution of gold values in the reconnaissance samples.

Outside of the P-Zone, gold assays are geochemically anomalous (≥ 40 ppb, maximum 244 ppb) for only 5 of the 249 rock samples collected (including 25 samples from one trench, none of which yielded anomalous gold). In other words, only 2% of all rock samples taken outside of the P-Zone have geochemically anomalous concentrations of gold.

These results indicate that the P-Zone is the premier target for more advanced exploration efforts on the property.

SECTION 12: EXPLORATION

Exploration since the property was staked in 2005 includes geological and alteration mapping, reconnaissance-level rock and soil sampling, trenching, and a reconnaissance-scale geophysical survey. Results of the geological and alteration mapping were previously described (in Section 9). Except for the geophysical survey, the exploration work was carried out by geological personnel of GIC and RWP. The geophysical survey was contracted to Fugro Ground Geophysics and the data interpreted by the Van Blaricom Research Institute. The author considers that the data are reliable inasmuch as the work was done by professionals, there are no unrealistic results, the exploration methods were routine, and the assays were conducted in ISO-certified labs.

12-1: ROCK AND TRENCH SAMPLING

Table 12-1 summarizes the rock sampling completed on the property to date.

Table 12-1: Rock-sampling summary

Company	Samples	Year	Type	Comment
GIX	254	2005-2009	Reconnaissance, mainly chip samples w/ typical dimension of 2 to 8 meters. Some samples taken off- property, none of which returned >5 ppb gold	Data compiled in Appendix 1
RWP	160	2010	Reconnaissance, mixture of chips, channels and panels; w/ typical dimension of 2 meters.	Data compiled in Appendix 2
RWP	119	2010	Trenching, 5 trenches w/ channel samples taken at 2-m intervals	Data compiled in Appendix 3
Author	9	2010	Chips and select grabs as described in Section 16	Data compiled in Appendix 4
TOTAL	542			

Figure 12-1 is a geochemical interpretation of gold in rocks for most of the samples listed above (some of the GIX samples were taken off property). Note that the P-Zone (the area within the blue polygon) contains almost all of the gold anomalies obtained to date.

Figures 12-2A (molybdenum), 12-2B (copper) and 12-2C (lead) are similar interpretations for the three elements with anomalies that also cluster in the P-Zone, although they are not necessarily correlative with gold anomalies. Figure 12-3 is a geochemical interpretation of gold in trench samples. Table 12-2 illustrates the marked difference between assay results within the P- Zone and outside of the P-Zone for gold and molybdenum, and to a much

lesser extent for copper and lead. (The average for lead is highly skewed by one very anomalous assay [$>1.0\%$] outside of the P-Zone).

TABLE 12-2: Distribution of gold, molybdenum, copper and lead assays

Zone	samples	median Au	avg Au	median Mo	avg Mo	median Cu	avg Cu	median Pb	avg Pb
in P-Zone	293	30 ppb	51 ppb	12 ppm	20 ppm	19 ppm	30 ppm	22 ppm	42 ppm
out of P-Zone	249	<5 ppb	9 ppb	3 ppm	6.7 ppm	12 ppm	26 ppm	17 ppm	79 ppm

The author also notes that there is an overall high regional concentration of arsenic (median 60 ppm, average 188 ppm) and phosphorus (median 300 ppm, average 559 ppm), but there are no specific zones of anomalous arsenic or phosphorus. *Park (2010)* has noted a weak correlation between gold and phosphorus.

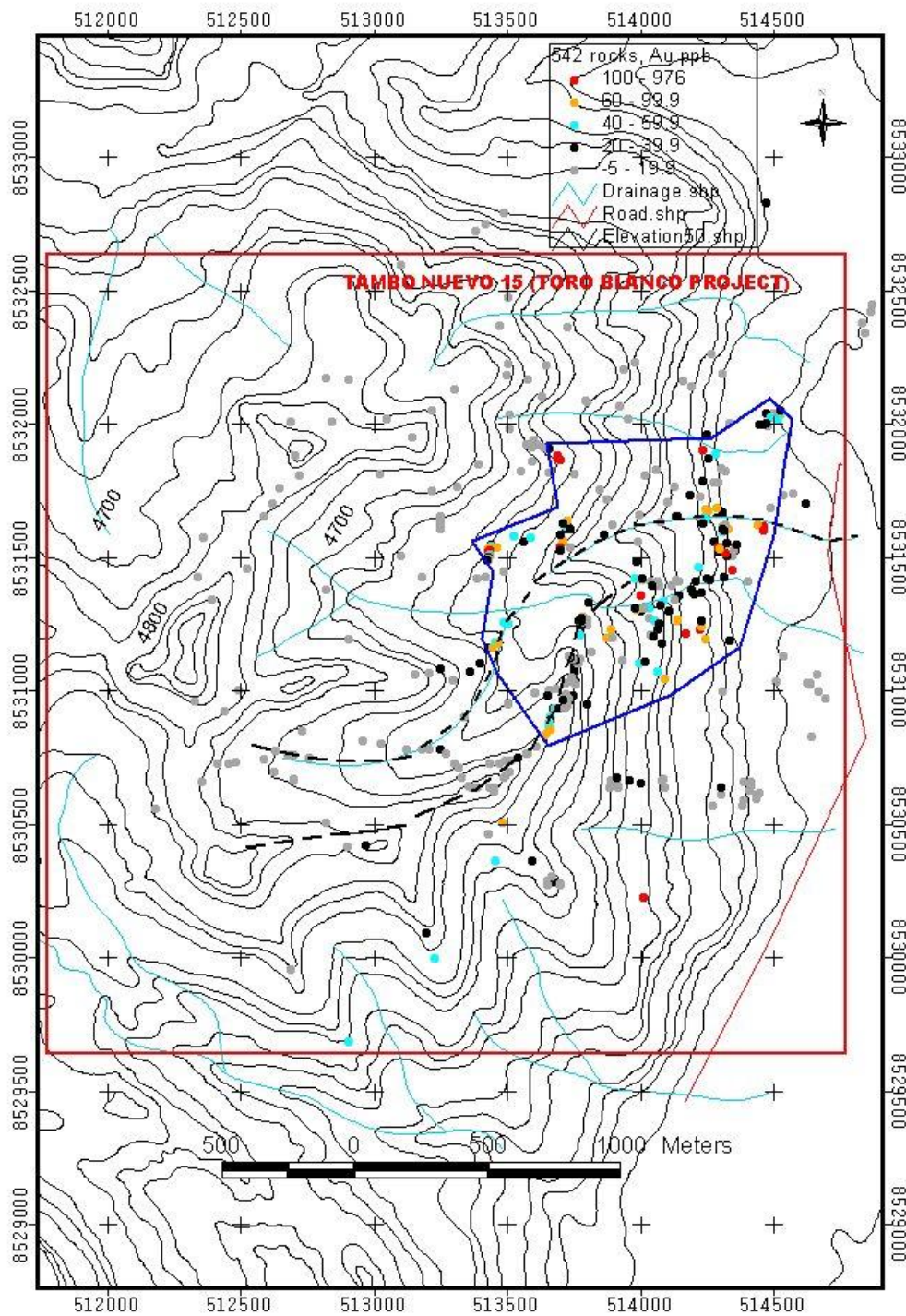


Figure 12-1: Gold in rock, N=542. Blue polygon shows anomalous zone possibly related to "S" structure (dashed black lines)

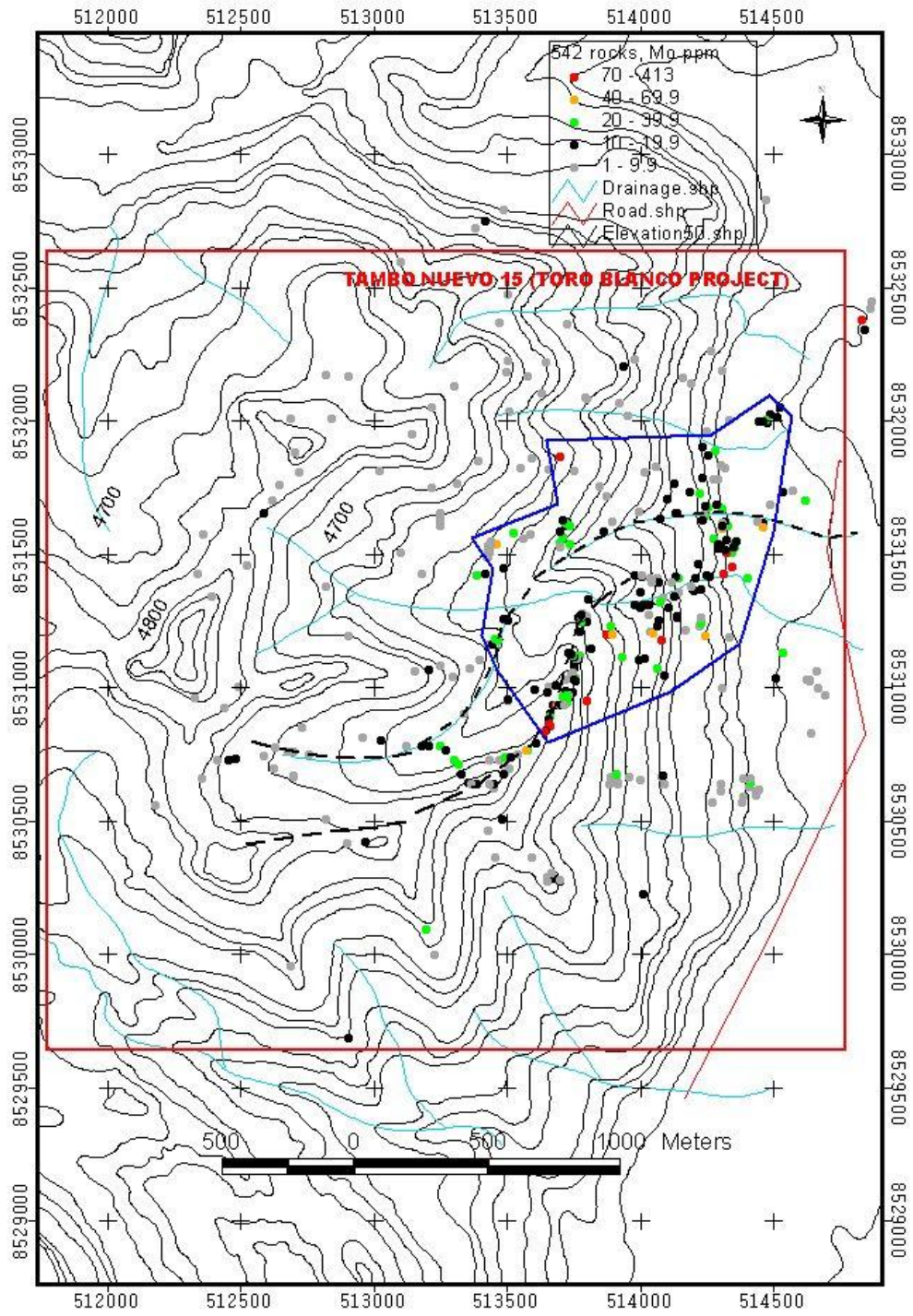


Figure 12-2A: Molybdenum in rock, N=542. Blue polygon shows anomalous zone possibly related to "S" structure (dashed black lines)

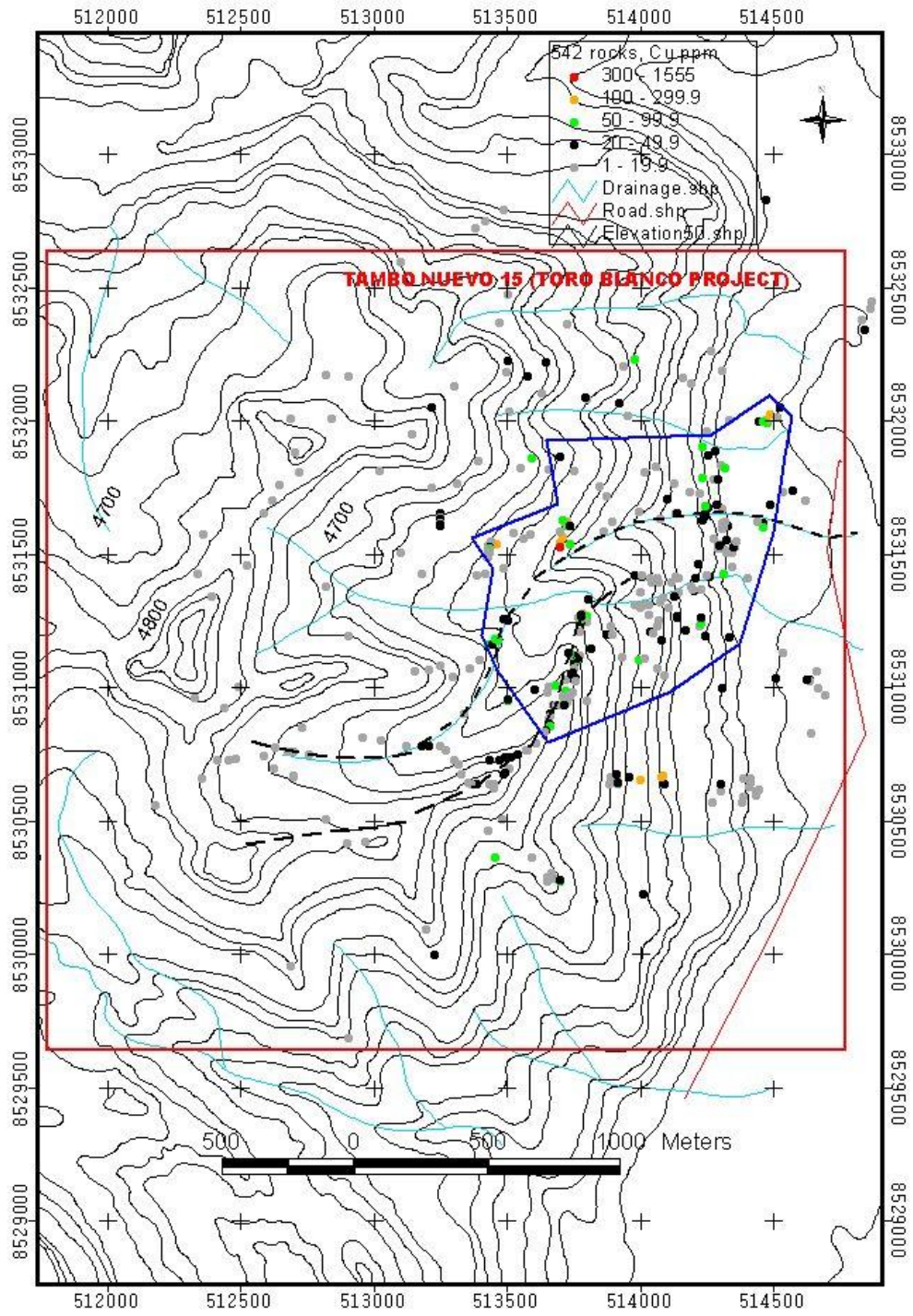


Figure 12-2B: Copper in rock, N=542. Blue polygon shows anomalous zone possibly related to "S" structure (dashed black lines)

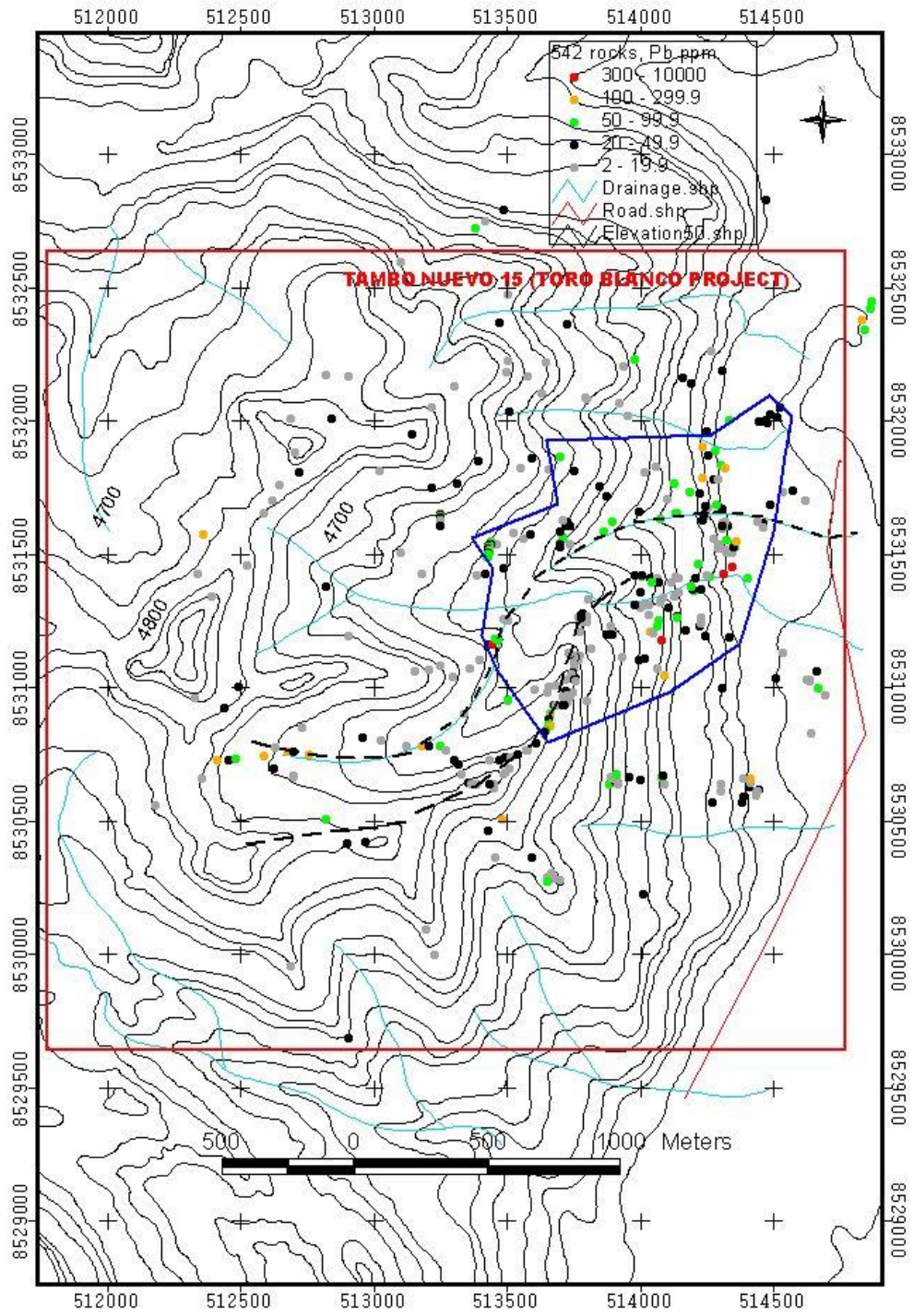


Figure 12-2C: Lead in rock, N=542. Blue polygon shows anomalous zone possibly related to "S" structure (dashed black lines)

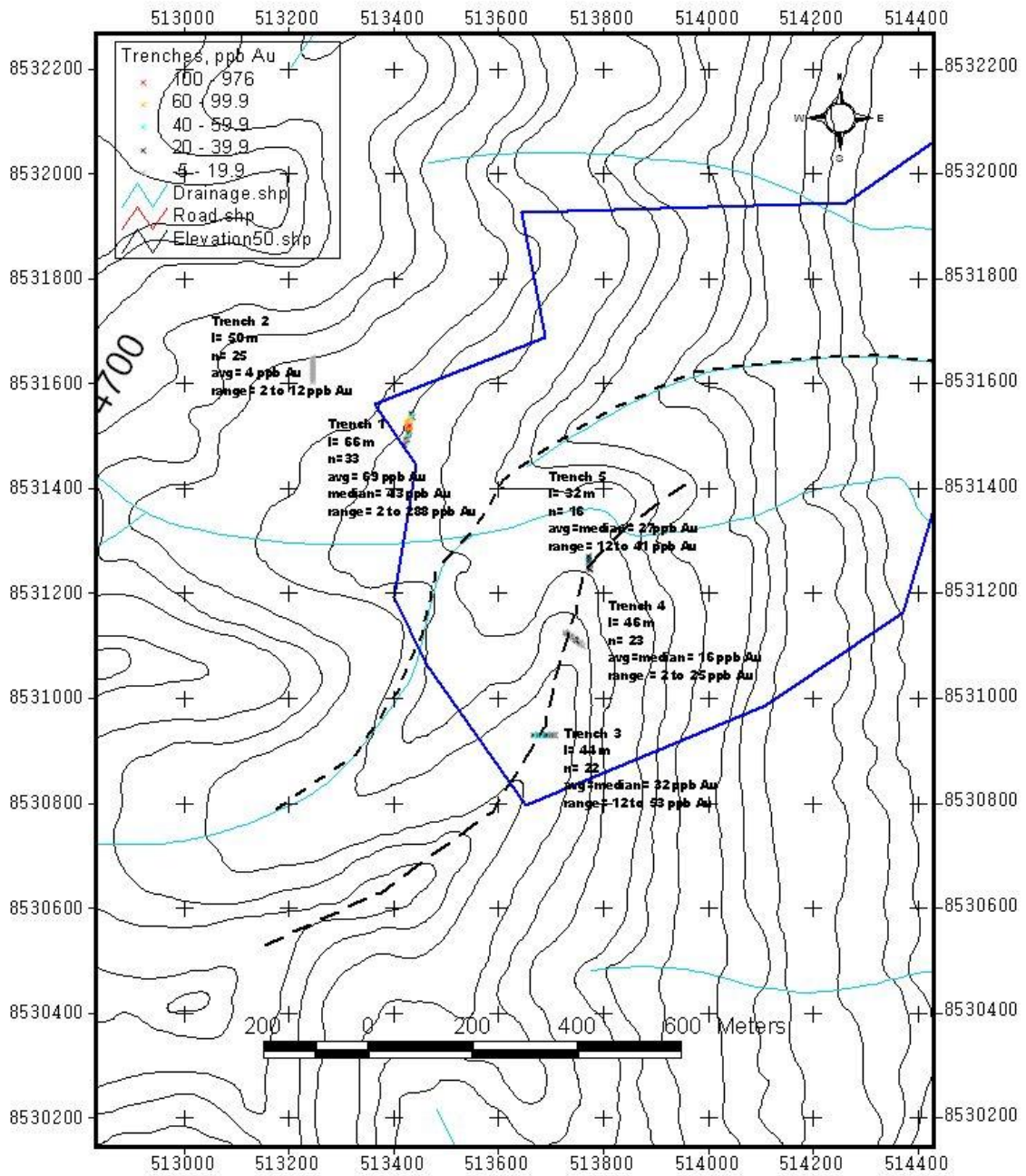


Figure 12-3: Gold in trench samples. Scale can be appreciated by the blue polygon and the black dashed lines, which are common to Figures 12-1 and 12-2

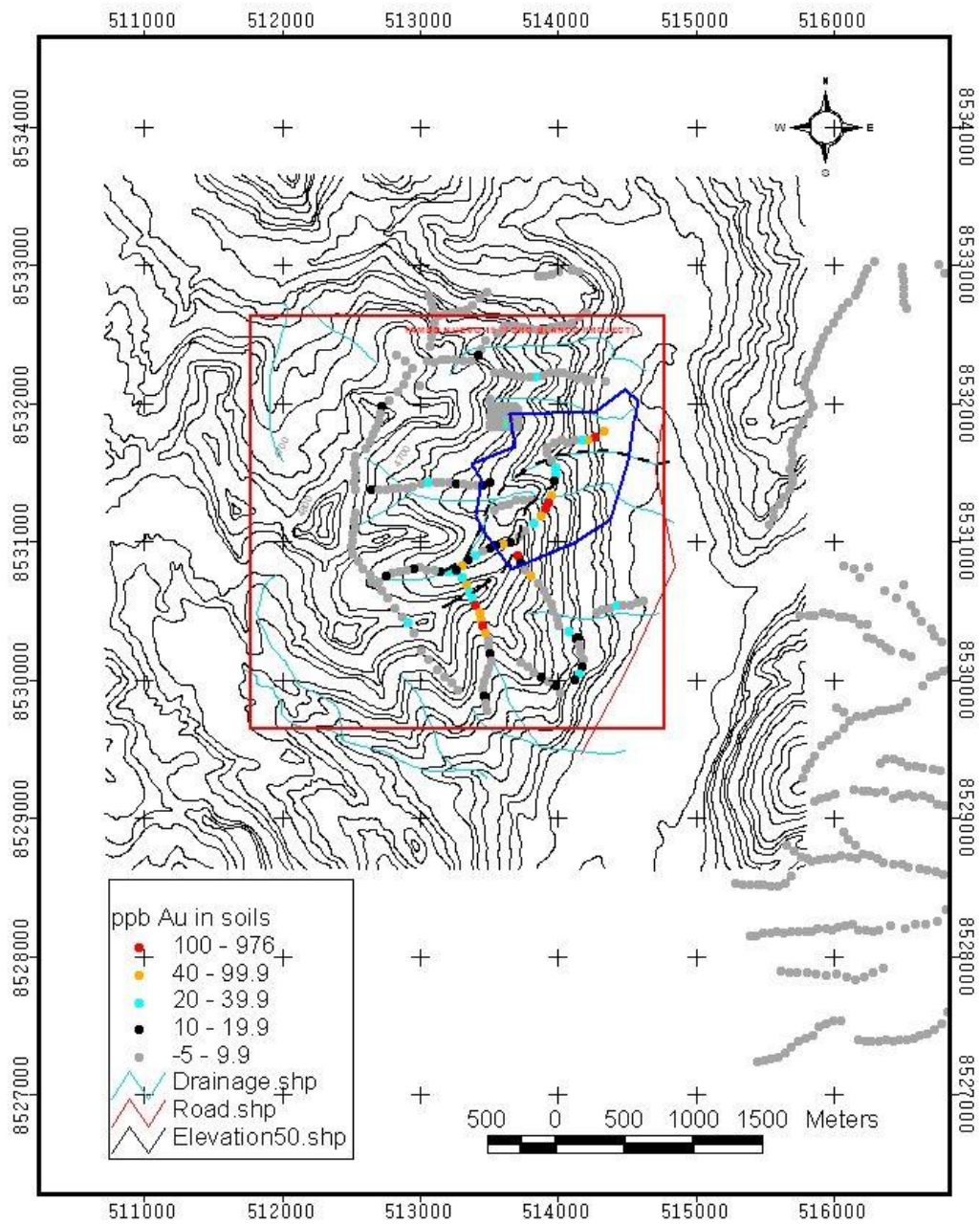


Figure 12-4: Gold in soils. Scale can be appreciated by the blue polygon and the black dashed lines, which are common to Figures 12-1, 12-2, and 12-3.

12-2: SOIL SAMPLING

Results of a soil-sampling survey done by GIX are shown in Figure 12-4. Soils were assayed for gold (fire assay) and for 34 other element (ICP). Full results are compiled in Appendix 5. A total of 550 soil samples were taken, of which half were collected outside of the Toro Blanco property. Judging by the descriptions of the samples in Appendix 5, the soils were probably colluvial fines. No gold anomalies were detected outside of the Toro Blanco property. Within the property, most gold anomalies (which range up to 662 ppb) are spatially associated with the P-Zone and the “S” structure. The average gold content of all soils taken off-property is <5 ppb. The average gold content of all soils taken within the property is 16 ppb. The average gold content of the 48 soils collected within the P-Zone is 43 ppb.

A string of adjacent gold-in-soil anomalies (10 samples spanning 600 meters and containing 26 to 149 ppb gold) to the southwest of the P-Zone and along the trajectory of the “S” structure suggests the presence of a bedrock source of gold that has yet to be identified. The position of these soil anomalies, and the presence of some modest molybdenum-in-rock anomalies in the same general area (Figure 12-2A), suggests that the P-Zone could be extended further to the southwest with additional detailed exploration.

12-3: GEOPHYSICAL SURVEY

The RWP geophysical program, done in 2010, comprised 18.8 line km of IP-Resistivity transects across six equal-length east-west lines separated by 400 meters and covering the entire Toro Blanco property as shown in Figure 12-5. The survey was carried out by Fugro Ground Geophysics, a respected provider of geophysical services in Peru. The geophysical information was interpreted by Dr. Van Blaricom, an American geophysicist with decades of experience evaluating epithermal deposits. Van Blaricom’s geophysical report is reproduced, in its entirety, in Appendix 6 of this report. Van Blaricom correctly states that the IP data carry more weight than the Resistivity data for the model of high-sulphidation gold mineralization. He reports that the tenor of IP responses on the Toro Blanco property is “impressive”.

Parameters for the geophysical survey are as follows. The configuration was a time-domain dipole-pole arrangement using an “n” spacing of 0.5, 1.5, 2.5, 3.5 and 5.5. This half-spacing array is said to increase the shallow-depth resolution of the survey (*Van Blaricom, 2010*). As shown in Figures 12-6 and 12-7, there are obvious differences in the geophysical responses across the P-Zone on line 8531600N (high chargeability and high resistivity) and afar from the P-Zone on line 8530000N (much lower chargeability and moderately lower resistivity). The geophysical information supports the geological and geochemical evidence that the P-Zone (and its possible extensions) is the top-priority target that has been identified on the property.

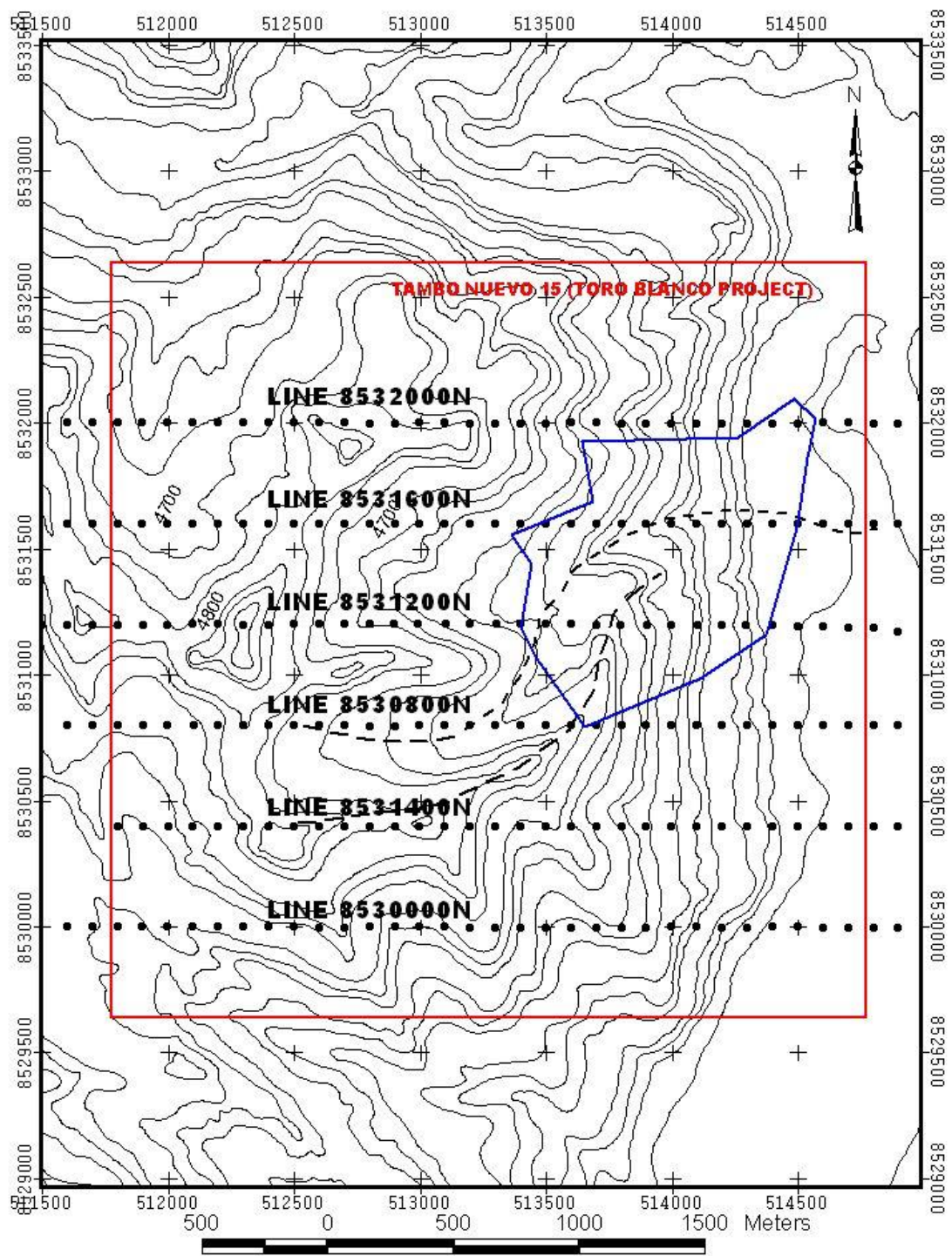


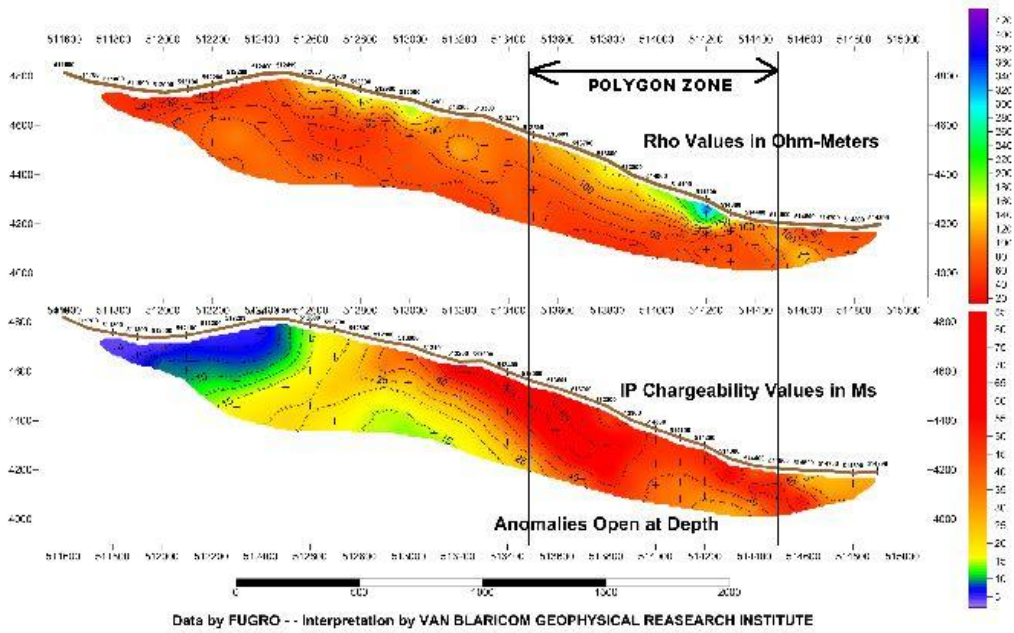
Figure 12-5: Geophysical transects at 400-m intervals across the Toro Blanco property

(scale can be appreciated by the blue polygon and the dashed black lines, which are common to Figures 12-1 through 12-4)



**Line 8531600 N IP Resistivity Profile Toro Blanco Project Peru
for Rae Wallace Mining Company**

Plate 5 A

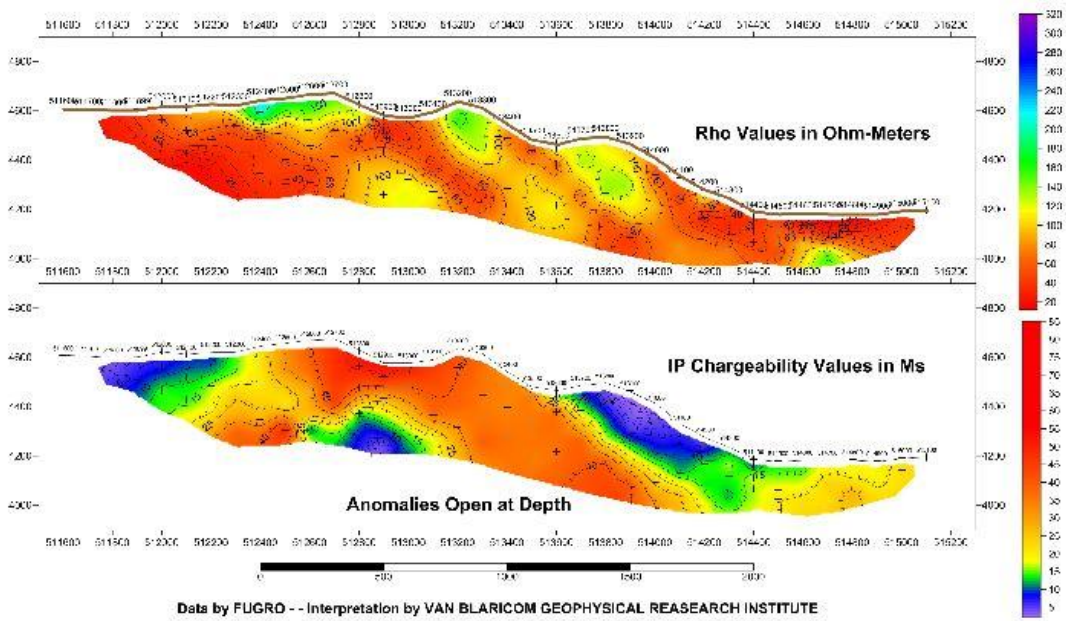


**Figure 12-6: IP-Resistivity profiles across
the "Polygon Zone", line 8531600 North**



**Line 8530000 N IP Resistivity Profile Toro Blanco Project Peru
for Rae Wallace Mining Company**

Plate 1-A



**Figure 12-7: IP-Resistivity profiles south of
the "Polygon Zone", line 8530000 North**

SECTION 13: DRILLING

No drilling has been done on the Toro Blanco property.

SECTION 14: SAMPLING METHOD AND APPROACH

The author does not know the sampling method and approaches used by GIX and RWP for the rock-sampling and soil-sampling programs, but believes, given that both are reputable companies, that industry best-practices standards were used. In the field, the author observed numerous scars on outcrops attesting to physical sampling, and saw numerous fragments of flagging tape and illegible remnants of painted numbers marking sample locations. In other words, field evidence substantiates the completion of a systematic sampling program, as does the office evidence (laboratory certificates, spreadsheets, etc).

SECTION 15: SAMPLE PREPARATION, ANALYSES AND SECURITY

The author can not guarantee that any aspect of sample collection or preparation was not conducted by an officer, director or associate of GIX or RWP; and is not able to verify any issues relating to sample security. However, given the consistency of information, confirmations in the data-verification program reported in the next section, and the good reputation of the involved companies, the author is convinced that there are no realistic concerns in regard to these issues.

ALS Chemex in Lima, Peru, is an ISO 9002-certified laboratory and was the exclusive laboratory used for analysis of project samples and check samples for GIX. At the laboratory, the rock and core samples were weighed, logged, and crushed to 70% <2mm. Samples were then separated in a riffle splitter to obtain a 250-gram sub-sample. This was pulverized to 85% <75 μ m and a 30-gm split were analyzed for gold by fire assay with an atomic-absorption finish. Thirty-four additional elements were analyzed using ICP methods. Soil samples were analyzed using the same procedure, except that the soil samples were dry-sieved to 80 mesh (less than 180 μ m).

Inspectorate Services Peru SAC, which is also an ISO-certified laboratory in Lima (ISO 9001:2008 No. 39041), was the laboratory used by RWP. Gold was analyzed by fire assay with an atomic-absorption finish using similar procedures as reported for ALS above. Thirty-two other elements were analyzed by ICP (inductively coupled plasma mass spectrometry).

The author is satisfied with the adequacy of sampling, sample preparation, security and analytical procedures for the rocks and soil samples.

SECTION 16: DATA VERIFICATION

The author took the following steps to verify the information:

1. The Ministerio de Energia y Minas was visited on November 2, 2010 (see Figure 6-1), and it was confirmed that the claims are in good standing and are registered to Rae Wallace Peru SAC.
2. The property was visited on November 8, 2010. The author observed that the alteration is notorious and can be seen from a distance of many kilometers (see Plate 1; argillic-silicic alteration of the P-Zone can be appreciated at right-center of the photo, and limonitic alteration on the peaks)
3. The author traversed the northern portion of the P-Zone, collecting nine samples (Table 16-1, Figure 16-1) that confirm the anomalous gold-molybdenum signature of the zone. The author notes that alteration is nearly pervasive and consists of argillic alteration, silicic alteration (quartz veins and stockworks), limonitic alteration, intermediate argillic alteration, advanced argillic alteration (with alunite) and vuggy silica alteration (Plate 16-2. The author's samples were analyzed by Inspectorate Services Peru SAC using methods described in the previous section.

Table 16-1: Analytical Results of QP check samples

#	WGS84E	WGS84N	Elev'n	Type	L(m)	Dir'n	Structure	Description	Au ppb	Cu ppm	Mo ppm	Pb ppm
CB801	514487	8532020	4276 m	chip	1.5	vert	S0=150/10	andesite flow? strong lim alt'n in vugs, fx, and mx; qtz mvts; arg	55	124	11	20
CB802	514471	8532000	4285 m	select	3.0	270	vein=270/84	silic'd structure 2-6 cm, arg, vts & mvts, alunite? (adv. arg. alt'n)	23	115	24	25
CB803	514463	8531995	4286 m	chip	1.2	vert	vein=255/90	alt'd tuff, stwk mvts w/fg diss py, lim+MnOx+arg	23	86	18	31
CB804	514316	8531820	4384 m	chip	1.8	vert	no comment	al't tuff, silicica inund'n+qtz mvts, fg diss py, clay after feldspar, intermediate argillic alt'n	6	53	3	112
CB805	514289	8531776	4396 m	chip	1.8	35	S1=320/85	shear zone in tuff, very wk silica alt'n. Sample taken to discard.	10	38	3	10
CB806	514241	8531677	4404 m	chip	7.0	70	no comment	tuff, silic'd mx, strong arg alt'n, common cg to fg py	72	52	13	43

CB807	514242	8531639	4428 m	chip	2.5	120	no comment	tuff, silic'd mx, minor qtz mvts, lim bxwks	42	34	20	12
CB808	514296	8531530	4422 m	chip	2.5	20	no comment	al't tuff, silicica inund'n+qtz mvts, fg diss py, clay after feldspar, intermediate argillic alt'n	90	41	18	16
CB809	514313	8531422	4401 m	select	0.4	na	no comment	vuggy silica w/lim	34	60	79	584



Plate 16-1: Panoramic westerly facing view of the Toro Blanco Property (photo by author)



Plate 16-2: Sample CB 809, vuggy silica alteration.
Geochemically anomalous for gold (34 ppb), Cu (60 ppm),
Mo (79 ppm) and Pb (584 ppm) [Photo taken by author]

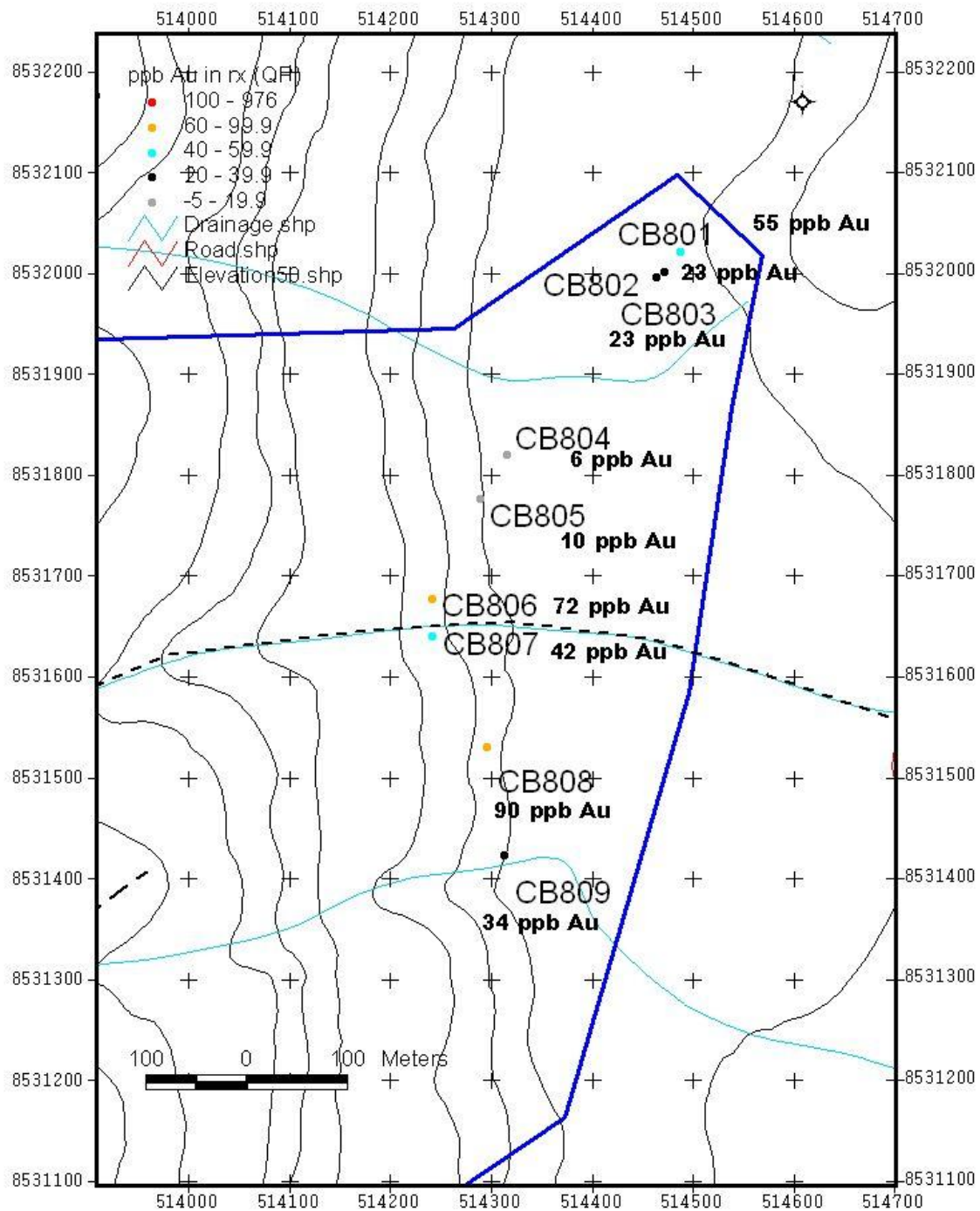


Figure 16-1: Author's samples and gold assay results. Scale and location can be appreciated by the blue polygon and the black dashed lines, which are common to Figures 12-1, 12-2, 12-3 and 12-4.

SECTION 17: ADJACENT PROPERTIES

Large (>2000 hectares) properties are being maintained adjacent and subjacent to Toro Blanco by two important Peruvian companies; Compania de Minas Buenaventura SAA and Corporacion Minera Castrovirrenya SA (see Figure 6-1). Both companies have operating gold and/or silver mines elsewhere in Peru. The author has not been able to find information about the properties adjacent and subjacent to Toro Blanco but assumes (because the properties have been maintained for more than five years) that there must be significant indications of mineralization.

SECTION 18: MINERAL PROCESSING AND METALLURGICAL TESTING

There is nothing to report in this section.

SECTION 19: MINERAL RESOURCES AND MINERAL RESERVE ESTIMATES

There is nothing to report in this section.

SECTION 20: OTHER RELEVANT DATA

There is nothing to report in this section.

SECTION 21: INTERPRETATION AND CONCLUSIONS

The author has had the good fortune to work on numerous high-sulphidation epithermal prospects in Peru, and realizes one fact that is not commonly appreciated; that there are many high-sulphidation epithermal systems that have the correct alteration, the correct age (Tertiary), the correct host rocks (volcanics), and yet barely a trace of economically valuable metals. The acid-sulphate solutions that generated these alteration zones were barren. Of course, these prospects are rarely mentioned in the geological literature (because they are of no economic interest), and so there are scarce references available that can be included in Section 23 (References).

In the case of Toro Blanco, there is a large area (>90 hectares in the P-Zone) that has the correct alteration of a high-sulphidation system, the correct age, the correct host rocks, and also carries geochemically anomalous concentrations of gold, molybdenum and other elements. Because of this, the author concludes that Toro Blanco is a property of merit that warrants additional exploration to locate drill targets.

The author believes that Toro Blanco is a property of merit that warrants additional exploration and reconnaissance-level diamond drilling.

SECTION 22: RECOMMENDATIONS

1. The author has noted that a great deal of the property consists of colluvial cover, and has noted that “soil” sampling of colluvial fines has detected the P-Zone and potential extensions to the southwest. Systematic contour sampling of colluvial fines is recommended for the entire property. Contour sampling should be done at vertical intervals of 100 meters and at horizontal intervals of 100 meters. Efforts should be concentrated particularly on the P-Zone.
2. All samples taken in the survey (colluvial fines and outcrop samples) should be analyzed by PIMA (portable infrared mapping analysis) as well as by routine gold fire assay and multi-element ICP. PIMA can help to identify acid-alteration assemblages (clay, silica, alunite, etc) that, together with standard information, can assist in drill-target definition.
3. The P-Zone should be subjected to detailed mapping, sampling and alteration analysis.
4. The author recommends reconnaissance-level drilling (4 vertical diamond drill holes totaling 1,200 meters) to test a 1,200-m strike segment of the P-Zone as illustrated in Figure 22-1. The proposed holes are separated from one another by 300 meters and are to be drilled to a planned depth of 300 meters using NQ-diameter drill rods. The UTM coordinates (datum WGS 84) of the four recommended drill holes are as follows:

- DDH-1 Easting 514090 Northing 8531960
- DDH-2 Easting 513880 Northing 8531750
- DDH-3 Easting 513675 Northing 8531530
- DDH-4 Easting 513470 Northing 8531310

A budget for this proposed exploration program is given in Table 22-1.

TABLE 22-1: BUDGET, PROPOSED EXPLORATION

ITEM	COMMENT	DETAIL	COST US\$
Contract colluvial-fines sampling	sampling and analyses	10 days at \$1500/day	\$15,000.00
Geol Mapping	detailed mapping/sampling of S-Structure and P-Zone	15 days at \$550/day	\$8,250.00
Analysis	300 rock; 1200 drill core	1500 samples at \$34/sample	\$51,000.00
Drilling	four 300-m diamond drill holes	1200 m at \$125/m	\$150,000.00
Camp	fuel, communication, lodging, food	60 days at \$400/day	\$24,000.00
Tenure			\$2,700.00
Community projects and support			\$20,000.00
Permitting	Environmental Impact Statement in support of Class A (minimum impact) permit for drilling		\$15,000.00
Contingency			\$14,050.00
TOTAL			\$300,000.00

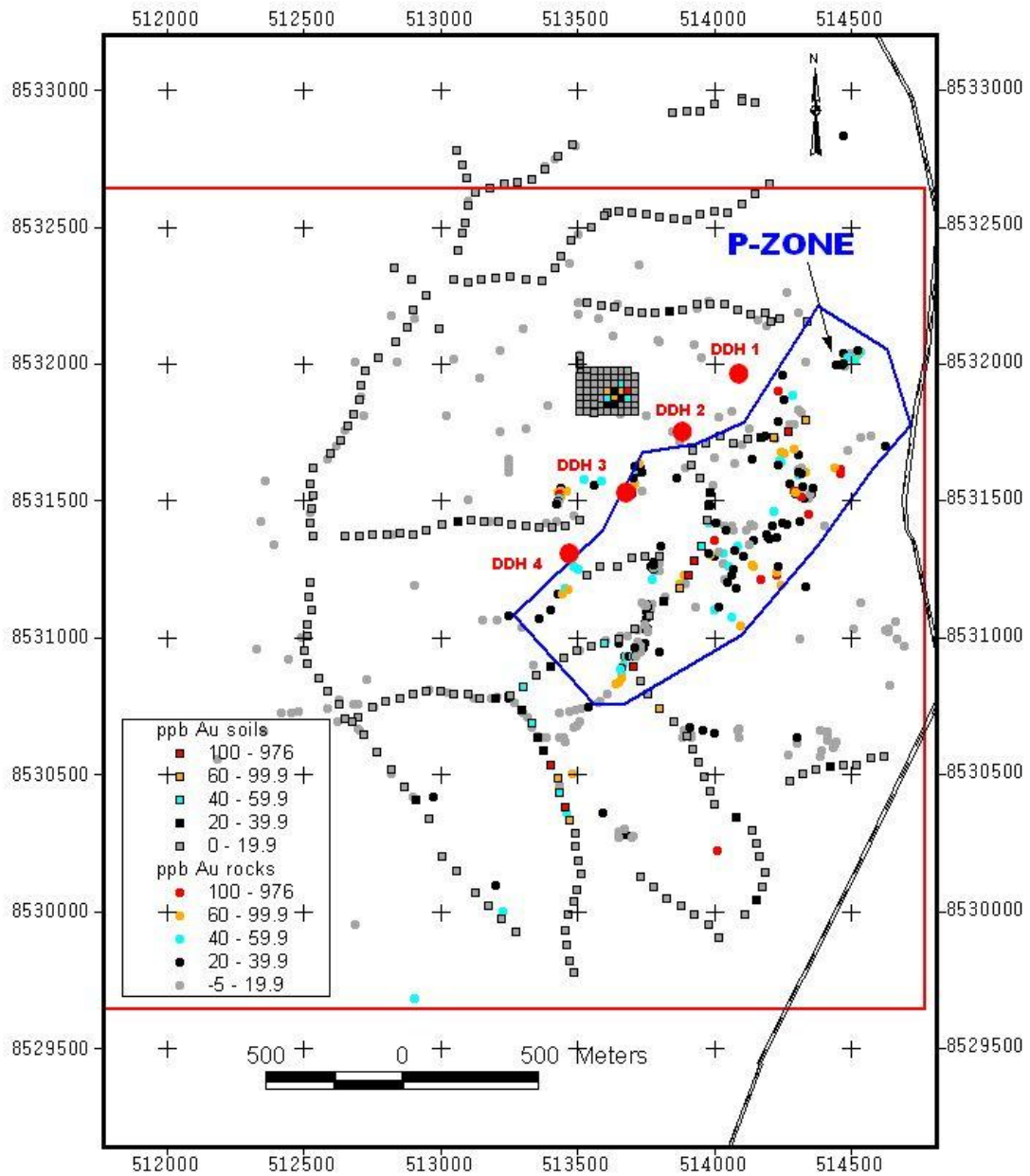


Figure 22-1: Proposed drilling, P-Zone, Toro Blanco Property

SECTION 23: REFERENCES

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CERTIFICATE OF QUALIFIED PERSON

Name:

John A. Brophy

Address:

#226 Calle 31, Corpac, San Isidro, Lima, Peru, S.A.

Occupation:

Independent consulting geologist

Qualifications:

- Graduate of McGill University, Montreal, Quebec, Canada (BSc honours, geology, 1972)
- Thirty-four years of continuous exploration experience on four continents exploring for a variety of commodities including gold, copper, zinc, lead, uranium and silver.
- Fifteen years of continuous exploration experience in Peru.

Professional Associations:

- Member #1276 of NAPEGG (Northern Association of Professional Engineers, Geologists and Geophysicists), NWT, Canada.
- Fellow of the Society of Economic Geologists.

Qualified Person:

The author is an “independent qualified person” in accordance with definitions established in National Instrument 43-101

Property Inspection:

The Toro Blanco property, which is the subject of this report, was visited by the author on November 8, 2010.

Responsibility:

The author is responsible for the full report except for aspects discussed in Sections 4 (Sources of Information) and 5 (Reliance on Non-qualified Information).

Independence:

- The author is not an officer, director, or employee of Rae Wallace Peru (the Company).
- The author has neither received nor expects to receive shares of the Company or any other consideration besides fair remuneration for the preparation of this report.
- The author has not earned the majority of his income during the preceding three years from the Company or any associated or affiliated companies.

Technical Information:

The author certifies that, to the best of his knowledge, this technical report includes all the required scientific and technical information necessary to

ensure that the report is not misleading.

Compliance:

The author has read National Instrument 43-101 and confirms that this technical report has been prepared in compliance with that Instrument.

John A. Brophy
December 22, 2010
Amended March 19, 2011

CONSENT OF QUALIFIED PERSON

To:

British Columbia, Alberta and Ontario Securities Commissions, and the TSX Venture Exchange

From:

John A. Brophy (P.Geo.), Independent Qualified Person

Date:

October 24, 2010

Re:

Technical Report on the Toro Blanco Project, Southwest Peru

For:

Rae Wallace Peru S.A.C., Rae-Wallace Mining Company

I consent to the filing of the technical report entitled SUMMARY REPORT ON THE TORO BLANCO (TAMBO NUEVO 15) PROPERTY, SOUTHWEST PERU (the "Technical Report"), with the British Columbia, Alberta and Ontario Securities Commissions by SEDAR, and I also consent to the posting of the Technical Report to the websites of Rae Wallace Peru and Rae-Wallace Mining Company. I do not consent to the filing of an extract or a summary of the Technical Report without my prior review of such extract or summary and my prior written consent.

John A. Brophy, Pgeol,
NAPEGG member 1276
Dated December 22, 2010
Amended March 19, 2011

SAMPLE	WGS 84E	WGS84N	Elev'n	Topo Ref	Type	Description	Au ppb	Agppm	Al%	Asppm	Bppm	Bappm	Beppm	Bippm	Ca%	Cdppm	Coppm	Crppm	Cuppm	Fe%	Gappm	Hgppm	K%	Lappm	Mg%	Mnppm	Moppm	Na%	Nippm	Pppm	Pbppm	S%	Sbppm	Scppm	Srppm	Ti%	Tlppm	Uppm	Vppm	Wppm	Znppm	Pb% Zn%
HNC-1	514621	8531696	4222	Huancorillo Hill	Grabs	Strongly silicif volc rk floats,some leached w irreg vugs.	7	0.2	0.6	84	10	200	0.5	9	0.05	<0.5	1	3	47	14.9	<10	0.09	0.21	10	0.02	17	5	0.01	<1	1120	14	0.14	2	1	23	<0.01	<10	<10	14	<10	86	
HNC-2	514621	8531696	4222	Huancorillo Hill	Chips in 5m	Gossan bx,ruffly bedded (possibly 20m thick), limonitic, bleached argillic clasts.	20	0.2	0.2	49	10	50	<0.5	4	0.02	<0.5	1	4	14	1.44	<10	0.14	0.08	10	0.02	21	21	0.01	3	270	15	0.34	2	<1	16	<0.01	<10	<10	7	<10	17	
HNC-3	514633	8531028	4260	Huancorillo Hill	Chips in 5m	Small crests of massive bleached silica,leached (v f vugs or pits),v fract(rusty fract),relict kaolinitic specks, twinkly granular silica zones	4	0.2	0.2	219	10	100	<0.5	6	0.01	<0.5	2	6	20	4.67	<10	0.62	0.01	<10	<0.01	99	4	<0.01	1	510	16	0.04	8	1	12	<0.01	<10	<10	9	<10	78	
HNC-4	514309	8530995	4382	Huancorillo Hill	Chips in 6m	Extensive outcrop (50x40m), isolated among others.Gry silicic,platy dislocated (brittle) silica (irreg-vein like),leached (rusty irreg pits-cavities), splotchy argillic.	4	0.2	0.3	31	10	100	<0.5	8	0.01	<0.5	<1	22	32	5.15	<10	0.22	0.11	10	0.01	22	3	0.01	1	760	33	0.07	2	1	66	<0.01	<10	<10	8	<10	15	
HNC-5	514170	8531212	4470	Huancorillo Hill	Chips in 2m	Small gry silicif crests w thin qtz veinlets (i.e.width 3m,length 5m),silicic argillic (sericitic scratch),abd thin planar veinlets of gry-cream qtz,brn lim specks.	236	0.2	0.4	59	10	70	0.6	3	0.07	<0.5	2	8	26	2.64	<10	0.23	0.24	30	0.04	78	37	0.01	3	860	38	0.11	2	1	11	<0.01	<10	<10	16	<10	25	
HNC-6	514107	8531294	4503	Huancorillo Hill	Chips in 3m	Extensive outcrop,bleached white-mottled (argillic silicic-silicic argillic, w mod-abd thin qtz veinlets (v drk gry filaments,twinkly granular qtz veinlets)	36	0.4	0.5	35	10	290	<0.5	6	0.01	<0.5	<1	1	11	1.5	<10	0.08	0.04	<10	<0.01	16	14	<0.01	<1	110	20	0.06	3	<1	87	<0.01	<10	<10	2	<10	3	
HNC-7	513718	8531024	4709	Huancorillo Hill	Chips in 4m	Outcrops 20x30m in bleached grounds,massive pale gry-gry silicif volc rk,crumbly subtle pale gry clasts in drk gry mtx,whispy-splotchy zones w drk gry v.f.(trace visible-subscop) py.	4	0.2	0.4	1820	10	150	<0.5	2	0.01	<0.5	1	27	10	1.05	<10	0.11	0.12	<10	<0.01	22	8	0.02	2	60	6	0.73	13	<1	65	<0.01	<10	<10	1	<10	2	
HNC-8	513603	8530990	4720	Huancorillo Hill	Chips in 4m	Silicified crest (width 5m,length>20m),pale buff gry, sugary granular, v rusty.	4	0.3	0.1	259	10	20	<0.5	2	0.01	<0.5	<1	6	46	3.19	<10	0.15	<0.01	<10	<0.01	16	11	<0.01	<1	390	5	0.11	13	<1	19	<0.01	<10	<10	1	<10	4	
HNC-9	513930	8531111	4635	Huancorillo Hill	Chips in 7m	Silicified crest(width 5m,exposed length 35m),gry smooth-locally granulated silica,chalcedonic, v.f.diss py,fractured-crackled,leached.	15	0.2	0	310	10	130	<0.5	2	0.01	<0.5	<1	41	6	0.52	<10	0.03	0.01	<10	<0.01	30	29	<0.01	1	30	4	0.06	17	<1	11	<0.01	<10	<10	1	<10	<2	
HNC-10	514639	8530826	4255	Huancorillo Hill	Chips in 3m	Silicif irreg crests in walls of weakly argillic tuffaceous andesite,gry silicic,w abd VUSI (disperse,irreg shapes,leached empty,few limonitic),smooth-twinkle glowing silica surfaces.	4	0.2	0.1	14	10	210	<0.5	2	0.01	<0.5	<1	46	4	0.56	<10	0.06	0.02	<10	<0.01	34	5	<0.01	3	60	10	0.66	2	<1	10	<0.01	<10	<10	1	<10	5	
HNC-11	514303	8530610	4388	Huancorillo Hill	Chips in 2m	Outcrops 3x10m, massive, mod-weak silicif, gry, granular surfaces,abd f py(drk gry whisps),seric scratch (qtz sericitic).	4	0.2	0.3	45	10	30	<0.5	3	0.02	0.5	7	3	18	3.22	<10	2.35	0.01	<10	<0.01	10	2	<0.01	6	60	16	2.56	3	<1	31	<0.01	<10	<10	6	<10	32	
HNC-12	514268	8530568	4407	Huancorillo Hill	Grabs	Bleached white w abd criss crossing gry (twinkly) granular qtz veinlet stockwork.	8	0.3	0.4	22	10	140	<0.5	4	0.01	<0.5	<1	4	5	0.99	<10	0.02	0.2	20	0.02	41	4	0.02	<1	220	29	0.35	3	1	31	<0.01	<10	<10	7	<10	7	
HNC-13	514089	8530632	4487	Huancorillo Hill	Chips	Outcrops 2x3m in bleached grounds, silicif, v rusty(ox 5%), fract-bx,strongly leached (dense fine VUSI cells,irreg).	4	0.2	0.2	116	10	1210	<0.5	2	0.01	<0.5	<1	21	42	7.34	<10	0.33	0.01	<10	<0.01	22	8	<0.01	1	370	16	0.22	7	<1	7	<0.01	<10	<10	12	<10	12	
HNC-14	513727	8531620	4555	Huancorillo Hill	Chips	Pale gry silica veins (sampled are N304°, width 0.55m)	21	0.2	0.3	14	10	60	1.5	2	0.01	1.3	8	8	133	6.13	<10	0.03	0.06	70	<0.01	334	10	<0.01	3	430	23	0.11	5	1	24	0.01	<10	<10	82	10	179	
HNC-15	513723	8531603	4574	Huancorillo Hill	Chips within 10m	Bleached (white), silicified volc rk (mod rusty reddish - pink zones).	33	0.4	0.4	41	10	80	0.9	2	0.01	<0.5	1	5	66	2.66	<10	0.02	0.15	40	<0.01	37	15	0.01	1	340	26	0.14	13	1	18	<0.01	<10	<10	33	<10	76	
HNC-16	513717	8531615	4574	Huancorillo Hill	Chips in 4m	Extensive outcrop of massive pale gry silicif volc rk,abd hem,large irreg moderately disperse vugs,specks of rusty red cavities.	46	0.2	0.1	42	10	80	<0.5	2	0.01	<0.5	<1	38	14	0.8	<10	0.01	0.03	10	<0.01	21	26	<0.01	1	110	35	0.09	5	<1	9	<0.01	<10	<10	8	<10	3	
HNC-17	514693	8530966	4221	Huancorillo Hill	Chips across 3m	Extensive,bleached,gry-wh,massive silicic(Si 2-3,smooth-subty "grain" twinkly glowing),argillic(10% Kaolinite),silica-cly alt,dusty surfaces,mod rusty fract(yell-brn),few irreg cavities.	4	0.2	0.5	15	10	100	<0.5	2	0.01	<0.5	<1	4	4	0.7	<10	0.08	0.09	<10	<0.01	21	1	0.04	1	100	8	0.31	5	<1	54	<0.01	<10	<10	3	<10	12	
HNC-18	514668	8530996	4242	Huancorillo Hill	Chips within 7m	Limonitic(rusty) silica flooded tuff? Buff gry smooth silica(80-50%),clay(white,punky),fracts,pitted lim surfaces.Few planar smooth gry silica veinlets.	6	0.2	0.3	143	10	2100	<0.5	7	0.01	0.5	3	9	18	4.28	<10	3.57	0.04	<10	<0.01	113	9	<0.01	4	430	82	0.14	17	<1	65	<0.01	<10	<10	3	<10	120	
HNC-19	514662	8531056	4234	Huancorillo Hill	Chips	Pale gry-buff silicified (ding-ding) crest (N225°,width 1m,extensive),massive,leached (disperse vugs-VUSI).	4	0.2	0.1	65	10	150	<0.5	2	0.01	<0.5	1	10	13	2.76	<10	0.44	0.01	<10	<0.01	45	4	<0.01	2	370	20	0.05	9	<1	15	<0.01	<10	<10	3	<10	65	

HNCO-20	514633	8531022	4251	Huancorillo Hill	Chips	Multiple silicic placolith zone, (i.e.sampled rib is N220°,width 0.40m,length >25m),Si(3),smooth silica-leached rusty VUSI,alunite specks?ox on surfaces and in vuggs.	4	0.2	0.1	48	10	810	<0.5	2	0.01	<0.5	1	18	13	1.84	<10	0.6	0.01	<10	<0.01	52	3	<0.01	2	320	8	0.14	5	<1	15	<0.01	<10	<10	3	<10	23
HNCO-21	514624	8531026	4258	Huancorillo Hill	Chips	Silicic placolith,(N208°,width 0.50m),Si(3),gry smooth-subtle granular silica massive,drk lim cavities,VUSI (lim,elongate-cavernous) in wall of argillic (1-2) trace spar phytic tuff.	4	0.3	0.2	170	10	280	<0.5	4	0.01	0.5	1	12	26	5.13	<10	0.64	0.04	<10	<0.01	61	7	<0.01	4	790	13	0.29	7	<1	24	<0.01	<10	<10	2	<10	41
HNCO-22	514334	8531184	4360	Huancorillo Hill	Chips	Bleached argillic crops w rusty veinlets & drk gry massive silica whisps (pyritic)-splotchy granular silica,some thin veinlets.	25	0.4	0.2	190	10	100	<0.5	3	0.01	<0.5	2	12	23	3.35	<10	0.04	0.42	20	0.02	29	7	<0.01	3	840	30	1.08	2	1	77	<0.01	<10	<10	13	<10	7
HNCO-23	514224	8531228	4424	Huancorillo Hill	Chips	Bleached volc rk with silica flooded fractures, microbx-shatter bx(angular clasts) in weakly argillized rusty andesites.	214	0.2	0.4	74	10	250	<0.5	3	0.01	<0.5	1	5	12	1.94	<10	0.01	0.36	20	0.04	20	6	<0.01	1	280	39	0.27	3	<1	17	<0.01	<10	<10	6	<10	7
HNCO-24A	514139	8531262	4469	Huancorillo Hill	Chips	Drk gry massive smooth silica (65%),subscopic py?, and white argillic kaolinite-alunite? whisps or specks(35%).	87	0.4	0.4	56	10	80	<0.5	3	0.01	<0.5	<1	4	26	0.97	<10	0.25	0.22	40	0.02	21	16	0.01	<1	110	43	0.12	5	<1	15	<0.01	<10	<10	6	<10	12
HNCO-24B	514139	8531262	-4469	Huancorillo Hill	Chips	Drk gry massive smooth silica (65%),py, and white argillic kaolinite whisps or specks with drk silica veinlets.	111	0.7	0.3	100	10	150	<0.5	5	0.01	0.5	<1	7	38	1.88	<10	0.2	0.26	20	0.02	24	19	0.01	1	120	74	0.36	3	<1	10	<0.01	<10	<10	4	<10	23
HNCO-25	514068	8531391	4553	Huancorillo Hill	Chips in 8m	Very large outcrop of massive cream,strongly silicified :Si(3-2)-silicic argillic-arg silicic, with abd sets or criss-crossing drk gry silica veinlets,microbx,trace py-subscopic in veins,lim(yell-org)stains.	11	0.3	0.4	55	10	130	<0.5	2	0.01	<0.5	1	8	25	1.66	<10	0.01	0.36	10	0.1	28	10	0.02	1	520	99	0.37	4	3	22	0.02	<10	<10	24	<10	15
HNCO-26	514032	8531306	4577	Huancorillo Hill	Chips across 5m	Large outcrop of silicic-silicic argillic (argillic whisps),silica is v drk gry massive or occurs as veinlets in more argillic zones,speckled clay zones in silica flooded spots.	40	0.2	0.3	15	10	150	<0.5	3	0.01	<0.5	<1	10	16	0.82	<10	0.03	0.16	10	0.01	20	14	<0.01	<1	90	6	0.03	2	<1	30	<0.01	<10	<10	2	<10	6
HNCO-A	514535	8531126	4288	Huancorillo Hill	Grab	Debris blocks of massive v drk gry(almost black) silica (smooth),leached:vuggs-cavities, grmsh-yell ox in granular geodic twinkle glowing cavities.	6	0.2	0.1	567	10	100	<0.5	2	0.01	<0.5	1	46	16	0.39	<10	1.78	0.04	<10	<0.01	25	36	<0.01	2	60	4	0.09	28	<1	23	<0.01	<10	<10	1	<10	9
HNCO-27	514460	8531614	4321	Huancorillo Hill	Chips in 5m	Crest-vein (N120°,width ?m,along 10m), gray,rusty,geodic,punky in argillic silicic wall.	196	0.3	0.7	290	10	100	<0.5	10	0.01	<0.5	<1	1	43	8.75	<10	0.06	0.18	<10	0.01	41	18	0.01	<1	220	33	0.37	10	1	80	<0.01	<10	<10	11	<10	21
HNCO-28	514357	8531542	4364	Huancorillo Hill	Chips in 6m	Silicif crest(N290°,width 0.60m,along 40m),geodic,rusty,weak leached.	167	0.2	0.1	33	10	100	<0.5	3	0.01	<0.5	<1	47	9	1.04	<10	0.08	0.02	<10	<0.01	18	21	<0.01	1	260	55	0.03	3	<1	40	<0.01	<10	<10	4	<10	4
HNCO-29	514356	8531524	4373	Huancorillo Hill	Chips in 4m	Silicif crest-vein(N120°,width 0.60m,along 50m),leached(VUSI),rusty cavities,in argillic silicic wall.	39	0.2	0.1	46	10	90	<0.5	2	0.01	<0.5	<1	16	13	1.27	<10	0.02	0.02	10	<0.01	16	30	<0.01	2	620	52	0.02	4	<1	68	<0.01	<10	<10	3	<10	7
HNCO-30	514343	8531505	4387	Huancorillo Hill	Chips in 4m	Silicif crest(N275°,width 1m,exposed along 40m),Pale gry Si(3),VUSI (ex !!, large irreg vuggs,abd lim vuggs),trace subtle silica veinlet.	15	0.2	0.1	25	10	30	<0.5	3	0.01	<0.5	<1	27	8	0.96	<10	0.05	0.01	<10	<0.01	28	24	<0.01	2	310	8	0.01	3	<1	56	<0.01	<10	<10	1	<10	3
HNCO-31	514325	8531505	4405	Huancorillo Hill	Chips in 1m	Silicif rib(N120, width 0.30m,along 3m) gry,rusty open sheeted fract, ruff surface,speckled kaolinite,rusty fract-cavities,in andesite wall.	36	0.2	0.1	20	10	1960	<0.5	16	0.01	<0.5	<1	38	10	0.76	<10	0.03	0.06	<10	<0.01	17	86	<0.01	1	410	10	0.06	2	<1	110	<0.01	<10	<10	4	<10	3
HNCO-32	514319	8531513	4414	Huancorillo Hill	Chips in 5m	Silicif crest(N80°width?),white-pale gry Si(3),lim pits,vuggs,cavities,some rusty fract.	215	0.3	0.1	58	10	100	<0.5	3	0.01	<0.5	<1	14	12	1.76	<10	0.04	0.04	10	<0.01	19	19	<0.01	1	180	6	0.06	5	<1	25	<0.01	<10	<10	4	<10	4
HNCO-33	514293	8531520	4428	Huancorillo Hill	Chips in 3m	Silicif crest(N280°,width 1.50m,exposed along 5m), pale gry,leached (rusty cavities).	36	0.2	0.2	38	10	110	<0.5	6	0.01	<0.5	<1	16	6	0.8	<10	0.05	0.1	10	0.02	18	14	<0.01	2	150	7	0.02	2	<1	33	<0.01	<10	<10	6	<10	3
HNCO-34	514294	8531534	4422	Huancorillo Hill	Chips in 6m	Bleached silicic argillic,sheeted STK of gry qtz, subtle kaol specks, rusty fract,py?,large outcrop, .	123	0.2	0.5	74	10	500	<0.5	11	0.01	<0.5	<1	17	19	2.09	<10	0.05	0.33	20	0.05	15	24	<0.01	1	600	17	0.25	7	1	36	<0.01	<10	<10	9	<10	5
HNCO-35	514274	8531557	4440	Huancorillo Hill	Chips in 28 m	Gry silicif rk,leached,limonitic,large outcrop.	28	0.2	0.1	23	10	160	<0.5	5	0.01	<0.5	<1	30	19	0.95	<10	0.03	0.06	10	0.01	22	31	<0.01	3	120	14	0.04	3	<1	13	<0.01	<10	<10	1	<10	14
HNCO-36	514305	8531666	4406	Huancorillo Hill	Chips in 4 m	Silicif crest(N240°,width 1m,along 25m), gry, leached (lim rusty cavities),in argillic wall.	24	0.2	0.2	77	10	120	<0.5	6	0.02	<0.5	<1	16	10	1.67	<10	0.06	0.02	<10	<0.01	30	38	<0.01	2	730	30	0.03	7	<1	227	<0.01	<10	<10	6	<10	10
HNCO-37	514536	8531731	4280	Huancorillo Hill	Chips in 4 m	Bleached white silicif volc rk,rusty lim,large outcrop.	4	0.2	0.4	60	10	1320	<0.5	3	0.01	<0.5	<1	6	11	1.66	<10	0.19	0.01	<10	<0.01	9	11	<0.01	<1	40	8	0.05	3	<1	18	<0.01	<10	<10	4	<10	19
HNCO-38	514569	8531735	4244	Huancorillo Hill	Chips in 10 m	Pale gry silicif volc rk,rusty cavities,limonitic,large outcrop.	7	0.5	0.5	160	10	1750	<0.5	17	0.01	<0.5	<1	3	34	1.94	<10	1.16	0.03	10	<0.01	16	7	<0.01	<1	180	27	0.07	8	<1	40	<0.01	<10	<10	6	<10	29
HNCO-39	514402	8531406	4340	Huancorillo Hill	Chips in 4 m	Orge red lim iron-pan/ferricrete , few silicif clasts.	8	0.2	0.8	163	10	40	0.7	5	0.03	<0.5	<1	1	9	39.1	<10	0.03	0.24	10	0.06	48	20	0.01	1	1590	56	0.88	2	1	14	0.01	<10	<10	15	<10	380
HNCO-40	513885	8530635	4597	Huancorillo Hill	Chips in 10 m	Gry Si(3),coarse granular(twinkle glowing),rusty(ox 3%),lim fract,abd diss lim in pits or small cavities.	4	0.3	0.1	135	10	1800	<0.5	3	0.01	<0.5	<1	38	12	3.99	<10	3.86	0.01	<10	<0.01	23	2	0.01	2	220	59	0.14	31	<1	44	<0.01	<10	<10	4	<10	10

HNCO-41	513890	8530660	4596	Huancorillo Hill	Chips in 15 m	Gry Si(3),ruff granular,massive,abd lim pits-small vuggs,rusty brown lim(stains,weak intergranular,in pits),domic outcrop.	4	0.5	0.1	53	10	430	<0.5	2	0.01	<0.5	<1	11	6	3.29	<10	3.05	0.02	<10	0.01	40	3	0.01	1	300	10	0.05	4	<1	19	<0.01	<10	<10	2	<10	17
HNCO-42	513906	8530646	4602	Huancorillo Hill	Chips in 10 m	Pale gry Si(3),coarse granular,v rusty(ox 3% in fract,or diss intergranular),leached(fract cavities, intergranular pits-vuggs), "hydrothermal quartzite",	4	0.3	0.2	328	10	40	<0.5	18	0.01	<0.5	1	29	17	5.18	<10	5.67	0.01	<10	0.01	43	9	0.02	1	160	22	0.05	118	<1	7	<0.01	<10	<10	4	<10	15
HNCO-43	513916	8530633	4594	Huancorillo Hill	Chips in 10 m	Gry Si(3),strongly leached,abd red lim,pits-dense amalgamated vuggs(VUSI)-almost crumble bx,in large domic outcrops.	4	0.8	0.1	41	10	60	<0.5	2	0.01	<0.5	<1	14	15	2.4	<10	0.93	0.01	<10	0.01	34	4	0.01	1	90	12	0.03	12	<1	5	<0.01	<10	<10	3	<10	10
HNCO-44	513901	8530657	4595	Huancorillo Hill	Chips in 8 m	GrySi(3),v rusty (red,brn),totally leached surfaces, swarm of lim pits & cavities, rusty irreg fract.	4	0.6	0.1	81	10	60	<0.5	4	0.01	<0.5	<1	17	12	4.29	<10	0.96	<0.01	<10	<0.01	31	2	<0.01	1	380	3	0.04	9	<1	6	<0.01	<10	<10	25	<10	5
HNCO-45	514065	8531071	4535	Huancorillo Hill	Chips in 12 m	Gry silicif volc rk,rusty,leached,large outcrop.	52	0.2	0.3	294	10	140	<0.5	4	0.01	<0.5	1	43	13	5.99	<10	0.56	0.12	<10	<0.01	16	22	0.02	1	210	18	0.32	7	<1	72	<0.01	<10	<10	8	<10	2
HNCO-46	514199	8531359	4448	Huancorillo Hill	Chips in 3 m	Gry-white(bleached) silicif volc rk,limonitic,gry qtz veinlets,large outcrop.	29	0.3	0.3	88	10	190	<0.5	4	0.01	<0.5	<1	9	22	1.29	<10	0.04	0.2	30	0.01	20	11	0.01	1	350	53	0.1	21	1	17	<0.01	<10	<10	7	<10	5
HNCO-47	514196	8531366	4450	Huancorillo Hill	Chips in 2 m	Pale-white silicif volc rk,rusty,gry qtz veinlets,large outcrop.	28	0.4	0.4	136	10	270	<0.5	6	0.02	<0.5	<1	6	9	2.45	<10	0.02	0.36	20	0.02	14	12	0.02	1	1280	26	0.51	12	5	26	<0.01	<10	<10	52	<10	4
HNCO-48	514513	8532010	4262	Huancorillo Hill	Chips in 5 m	Bleached,silicif argillic(dusty),gry qtz veinlets (sheeted-multidirectional STK),rusty orge brn fract.	222	0.4	0.4	197	10	250	<0.5	9	0.03	<0.5	<1	16	12	2.64	<10	0.34	0.16	10	0.01	17	19	0.01	1	540	31	0.18	3	1	36	<0.01	<10	<10	18	<10	19
HNCO-49	514486	8531681	4303	Huancorillo Hill	Chips in 4 m	Gry Si (2-3),argillic whisps(kaol specks), bright rusty(pink red)fracts,leached(weak),large outcrop.	15	0.2	0.4	131	10	510	0.9	34	0.06	<0.5	1	13	23	3.58	<10	0.03	0.17	<10	<0.01	35	5	<0.01	2	1340	22	0.3	2	1	211	<0.01	<10	<10	11	<10	22
HNCO-50	513500	8530949	4713	Huancorillo Hill	Chips in 4 m	Silicif crest(N45°,width 0.80m,along 10m)gry, leached (VUSI) in argillic wall.	8	0.4	0.1	200	10	30	<0.5	16	0.01	<0.5	<1	26	50	2	<10	0.11	0.03	<10	<0.01	24	7	<0.01	2	310	13	0.05	20	<1	23	<0.01	<10	<10	1	<10	3
HNCO-51	513771	8531118	4686	Huancorillo Hill	Chips in 5 m	Gry silicif volc rk,massive,rusty fract,large outcrop.	4	0.2	0.4	493	10	450	<0.5	68	0.01	<0.5	1	28	7	2.44	<10	0.07	0.16	<10	<0.01	13	26	0.01	2	120	12	0.4	16	<1	53	<0.01	<10	<10	2	<10	2
HNCO-52	513890	8531225	4652	Huancorillo Hill	Chips in 5 m	Silicif crest(N185°,width 3-10m,exposed along 40m),Si(3),VUSI(abd large round-ameboidal).	60	0.3	0.1	252	10	70	<0.5	4	0.01	<0.5	<1	27	8	0.8	<10	0.05	0.01	<10	<0.01	17	25	<0.01	<1	40	11	0.04	7	<1	23	<0.01	<10	<10	1	<10	5
HNCO-53	514007	8531415	4616	Huancorillo Hill	Chips in 7 m	Bleached white argillic silicic,dense STK of gry silica veinlets,lim stains,cavities,large outcrop.	5	0.4	0.2	168	10	50	<0.5	3	0.01	<0.5	<1	14	36	1.07	<10	0.05	0.09	20	<0.01	23	10	0.02	1	250	97	0.02	11	1	13	<0.01	<10	<10	8	<10	12
HNCO-54	514038	8531408	4581	Huancorillo Hill	Chips in 6 m	Bleached-buff yellow silicic-silicif argillic,STK(thin gry qtz veinlets),large outcrop.	11	0.2	0.4	39	10	70	<0.5	2	0.03	<0.5	<1	30	16	0.77	<10	0.02	0.17	20	0.11	19	4	0.02	2	270	29	0.02	3	3	9	0.01	<10	<10	17	<10	10
HNCO-55	514065	8531406	4549	Huancorillo Hill	Chips in 8 m	Bleached white,gry qtz veinlets,extensive outcrop.	7	0.2	0.3	77	10	120	<0.5	6	0.01	<0.5	1	9	10	1.76	<10	0.01	0.21	10	0.02	27	4	0.01	1	280	12	0.24	4	1	14	<0.01	<10	<10	13	<10	7
HNCO-56	514100	8531702	4502	Huancorillo Hill	Chips in 5 m	Bleached argillic silicic,thin gry silica veins and stringers,diss lim (specks).	17	0.2	0.3	31	10	120	<0.5	28	0.01	<0.5	<1	14	20	1.27	<10	0.02	0.14	20	0.02	26	14	<0.01	1	190	19	0.06	2	<1	9	<0.01	<10	<10	3	<10	5
HNCO-57	513734	8531533	4565	Huancorillo Hill	Chips in 3 m	Silicif crest(N270°,width2m,along 10m),pale gry Si(3),v rusty(pnksh red-yell brn),few disperse vuggs,ox on smooth-irreg surfaces or fract, argillic whisps,argillic walls.	15	0.5	0.2	36	10	400	<0.5	2	0.01	<0.5	1	34	79	2.54	<10	0.04	0.03	20	<0.01	37	21	<0.01	2	70	14	0.05	9	1	11	<0.01	<10	<10	29	<10	60
HNCO-58	513699	8531539	4585	Huancorillo Hill	Chips in 5 m	Gry Si(3),massive,intensely leached rusty large irreg vuggs(VUSI),pitted-cavernous surfaces,orge lim (ox 3%).	96	0.7	0.2	681	10	710	0.9	8	0.01	<0.5	4	11	229	8.08	<10	0.03	0.02	110	0.01	544	35	0.01	4	450	118	0.14	22	4	17	0.01	<10	<10	109	<10	106
HNCO-59	513709	8531558	4581	Huancorillo Hill	Chips in 4 m	Bleached argillic-argillic silicic,sheeted STK of gry qtz veinlets in rusty envelope,cavities along veins,large outcrop.	8	0.4	0.2	42	10	50	<0.5	3	0.02	<0.5	1	5	47	2.81	<10	0.02	0.11	10	<0.01	48	12	0.02	1	150	14	0.07	5	2	22	<0.01	<10	<10	20	<10	81
HNCO-60	513735	8531601	4562	Huancorillo Hill	Chips in 6 m	Pale gry Si(3),massive,drk gry silica veinlets,limonitic pits,some cavities,large outcrop.	36	0.9	0.2	63	10	70	<0.5	2	0.02	<0.5	1	32	33	1.74	<10	0.01	0.07	10	<0.01	29	65	0.02	1	890	14	0.07	2	<1	9	<0.01	<10	<10	12	<10	42
HNCO-61	514348	8531524	4375	Huancorillo Hill	Chips in 4 m	Gry Si(3-2),abd diss lim in pits.Large outcrop.	11	0.3	0.1	40	10	300	<0.5	6	0.01	<0.5	<1	11	31	1.56	<10	0.02	0.07	<10	<0.01	17	13	0.01	<1	100	26	0.1	5	<1	12	<0.01	<10	<10	5	<10	4
HNCO-62	514188	8531377	4475	Huancorillo Hill	Chips in 5 m	Bleached,argillic-silicif argillic,STK(gry silica veinlets),large outcrop.	24	0.3	0.3	66	10	210	<0.5	7	0.01	<0.5	<1	7	17	1.46	<10	0.03	0.26	10	0.02	18	7	0.02	<1	240	57	0.29	11	1	16	<0.01	<10	<10	7	<10	5
HNCO-63	514142	8531408	4510	Huancorillo Hill	Chips in 4 m	Pale gry-white,silicif,patchy argillic,gry silica veinlet swarms,gry massive splotchy silica,yell-brn rusty lim fract,leached rusty cavities-irreg vuggs,large outcrop.	15	0.2	0.1	83	10	400	<0.5	6	0.01	<0.5	<1	29	8	2.2	<10	0.1	0.21	<10	0.01	18	24	0.02	<1	150	9	0.36	2	<1	11	<0.01	<10	<10	5	<10	6
HNCO-64	514133	8531411	4508	Huancorillo Hill	Chips in 3 m	Gry silicif volc rk,gry veinlets,weak twinkle glows,large outcrop.	14	0.2	0.1	58	10	50	<0.5	28	0.01	<0.5	<1	11	14	1.3	<10	0.01	0.16	10	0.01	19	19	0.02	1	280	8	0.17	3	<1	9	<0.01	<10	<10	5	<10	6
HNCO-65	514077	8531176	4536	Huancorillo Hill	Chips in 3 m	Drk gry silicif,v rusty,strongly leached,v fract, whispy argillic,abd rusty fract cavities	35	2.6	0.1	1860	10	190	<0.5	12	0.01	<0.5	<1	17	49	5.78	<10	0.33	0.31	70	<0.01	20	180	0.02	4	570	966	0.55	424	<1	23	<0.01	<10	<10	9	<10	21
HNCO-66	514031	8531267	4564	Huancorillo Hill	Chips in 4 m	Drk-med gry Si(3),ruff surfaces,some kaol specks,rusty fract and pits,massive large outcrop.	14	0.2	0	16	10	20	<0.5	3	0.01	<0.5	<1	32	9	0.67	<10	0.03	0.01	<10	<0.01	12	9	0.01	1	30	6	0.13	2	<1	11	<0.01	<10	<10	<1	<10	<2

516649	Toro Blanco	21-05-10	D Alcocer	514432	8330608	4242	outcrop	chip	2x2m	ands	Silicif	Sl	lm	aln	Slicd with fragr 11	0.2	0.62	34	1141	-5	0.01	-1	-1	16	6	2.24	-1	0.03	4	-0.01	27	3	-0.01	1	183	13	0.04	-5	-5	-10	35	-5	-0.01	-5	4	-10	34	
516651	Toro Blanco	20-05-10	S Park	513340	8330900		outcrop	chip	3x2m	diatce	adv arg	strg	lm	aln	wht clay	0.3	0.37	26	857	-5	0.01	-1	-1	149	3	1.80	1	0.09	7	-0.01	24	6	0.02	3	109	5	0.25	-5	-5	-10	61	-5	-0.01	-5	3	-10	6	
516658	Toro Blanco	22-05-10	S Park	513458	8531534	4570	outcrop	chrl-chip	2m	ands	adv arg	mod	lm	aln	Rib-outcrop bt 88	0.2	1.19	278	693	8	0.31	1	12	36	118	2.92	-1	0.72	84	0.07	42	44	0.01	8	2534	13	0.05	-5	-5	-10	27	-5	-0.01	-5	19	-10	20	
516659	Toro Blanco	22-05-10	S Park	513216	8531748	4723	outcrop	chip	2x2m	ands	arg	mod	py	lm	wht clay	1.2% py adm -5	0.2	0.59	65	151	-5	0.09	-1	2	22	10	2.85	-1	0.23	36	0.03	61	3	0.08	1	813	21	0.80	-5	-5	-10	37	-5	-0.01	-5	4	-10	16
516660	Toro Blanco	22-05-10	D Alcocer	514410	8330624	4250	outcrop	chip	2x2m	ands	adv arg	strg	lm	aln	wht clay	Strong silc -v7	0.3	0.65	21	375	-5	0.01	-1	-1	23	4	1.18	1	0.52	2	0.01	24	5	-0.01	1	214	25	0.03	-5	-5	-10	70	-5	-0.01	-5	7	-10	11
516661	Toro Blanco	22-05-10	D Alcocer	514411	8330642	4255	outcrop	chip	2x2m	ands	adv arg	strg	lm	aln	wht clay	Strong silc -v1 -5	0.4	0.21	35	21	-5	0.01	-1	1	113	6	1.02	-1	0.01	5	-0.01	42	24	-0.01	4	160	8	0.01	5	-5	-10	23	-5	-0.01	-5	1	-10	17
516662	Toro Blanco	22-05-10	D Alcocer	514414	8330654	4245	outcrop	chip	2x2m	ands	arg	mod	lm	aln	wht clay	Fragmente of 8	0.4	0.83	67	255	-5	0.02	-1	2	17	16	4.03	-1	0.19	13	0.03	109	4	-0.01	2	1070	158	0.08	8	-5	-10	23	-5	-0.01	-5	24	-10	75
516663	Toro Blanco	22-05-10	D Alcocer	514386	8330658	4250	outcrop	chip	2x2m	ands	adv arg	strg	lm	wht clay	vuggy silca, ll 6	-0.2	0.11	44	281	-5	0.01	-1	1	181	16	1.59	-1	0.01	-2	-0.01	47	6	-0.01	5	173	9	0.03	5	-5	-10	11	-5	-0.01	-5	3	-10	24	
516664	Toro Blanco	22-05-10	S Park	513111	8331760	4720	outcrop	chip	3x2m	diatce	arg	mod	py	wht clay	Minor subnat -ll	0.3	1.10	138	254	-5	0.03	1	2	25	14	2.87	-1	0.31	31	0.12	120	3	0.06	3	988	25	0.50	-5	-5	-10	17	-5	-0.01	-5	10	-10	20	
516665	Toro Blanco	22-05-10	S Park	513100	8331500	4600	outcrop	chip	0.2x0.2m	ands	arg	mod	py	wht clay	Common silc 9	0.4	0.62	57	42	-5	0.11	-1	5	29	10	2.53	-1	0.12	27	-0.01	21	49	4	0.05	5	1090	10	1.89	5	-5	-10	22	-5	-0.01	-5	15	-10	31
516622	Toro Blanco	15-10-10	F. Solano	514082	8330662	4375	outcrop	Channel	1.2x0.1m	ands	Silicif	Md	py	lm	Andesite bc C 10	0.0	0.11	84	189	-5	0.09	-1	1	155	270	1.13	2	0.06	6	0.04	134	8	-0.01	7	251	75	0.06	-5	-5	-10	36	-5	-0.01	-5	6	-10	24	
516623	Toro Blanco	15-10-10	F. Solano	514087	8330665	4375	outcrop	Channel	0.3x0.1m	ands	Silicif	Md	py	lm	Andesite bc C 12	0.6	0.16	51	149	-5	0.03	-1	2	125	168	1.96	-1	0.09	3	0.01	124	10	-0.01	7	431	40	0.06	5	-5	-10	70	-5	-0.01	-5	7	-10	28	
516624	Toro Blanco	15-10-10	F. Solano	513607	8330271	4582	outcrop	Channel	0.6x0.1m	ands	Silicif	Md	py	lm	Andesite bc C 5	0.3	0.09	178	68	-5	0.01	-1	-1	109	72	2.48	-1	-0.01	-2	-0.01	49	11	-0.01	4	81	24	0.03	18	11	-10	14	-5	-0.01	-5	2	-10	7	
516626	Toro Blanco	15-10-10	F. Solano	513701	8330275	4581	outcrop	Channel	1x0.1m	ands	Silicif	Sl	lm	aln	Andesite bc C8	1.1	0.11	119	114	-5	0.01	-1	-1	67	49	4.73	8	-0.01	-2	-0.01	42	5	-0.01	3	139	16	0.04	16	-5	-10	8	-5	-0.01	-5	10	-10	9	
516627	Toro Blanco	25-10-10	F. Solano	513435	8330724	4665	outcrop	Channel	1.2x0.1m	Silice	Silicif	Sl	py	lm	Vein gray silic 10	0.2	0.02	106	60	-5	0.01	-1	-1	99	35	0.58	-1	0.01	2	-0.01	52	6	-0.01	4	57	11	0.04	-5	-5	-10	11	-5	-0.01	-5	-1	-10	-5	
516628	Toro Blanco	25-10-10	F. Solano	513470	8330727	4670	outcrop	Channel	3.0x0.1m	Silice	Silicif	Sl	py	lm	Vein gray silic 14	0.5	0.28	185	211	-5	0.02	-1	-1	65	39	1.17	-1	0.10	6	-0.01	97	8	-0.01	4	114	27	0.46	9	9	-10	55	-5	-0.01	-5	2	-10	5	
516629	Toro Blanco	25-10-10	F. Solano	513490	8330733	4674	outcrop	Channel	2.4x0.1m	Silice	Silicif	Sl	py	lm	Vein gray silic 17	0.2	0.38	700	240	-5	-0.01	-1	-1	69	33	2.52	-1	0.10	10	-0.01	37	32	0.01	4	209	31	0.20	21	9	-10	85	-5	-0.01	-5	-1	-10	-5	
516630	Toro Blanco	25-10-10	F. Solano	513514	8330737	4678	outcrop	Channel	3.2x0.1m	Silice	Silicif	Sl	py	lm	Vein gray silic 7	-0.2	0.31	81	164	-5	0.01	-1	-1	89	25	0.97	1	0.12	3	-0.01	110	11	-0.01	5	79	16	0.23	-5	-5	-10	41	-5	-0.01	-5	2	-10	-5	
516631	Toro Blanco	25-10-10	F. Solano	513539	8330745	4676	outcrop	Channel	2x0.1m	Silice	Silicif	Sl	py	lm	Vein gray silic 29	-0.2	0.38	117	252	72	-0.01	-1	-1	72	21	2.19	-1	0.09	3	-0.01	54	8	-0.01	3	92	48	0.20	7	-5	-10	40	-5	-0.01	-5	2	-10	-5	
516632	Toro Blanco	25-10-10	F. Solano	513494	8330677	4695	outcrop	Channel	1.8x0.1m	Silice	Silicif	Sl	py	lm	Vein gray silic 9	-0.2	0.41	503	104	-5	-0.01	-1	-1	47	20	1.08	-1	0.08	3	-0.01	48	8	-0.01	3	64	18	0.14	9	-5	-10	31	-5	-0.01	-5	3	-10	-5	
516633	Toro Blanco	25-10-10	F. Solano	513466	8330673	4701	outcrop	Channel	2.6x0.1m	Silice	Silicif	Sl	py	lm	Vein gray silic 10	-0.2	0.29	1937	77	-5	-0.01	-1	-1	166	34	0.64	-1	0.08	3	-0.01	90	11	0.01	7	84	-5	0.17	24	-5	-10	60	-5	-0.01	-5	-1	-10	-5	
516634	Toro Blanco	11-10-10	S. Park	514225	8531238	4285	outcrop	chrl chip	2m	ands	arg	Md	lm	aln	Andesite flow 62	0.5	0.64	221	90	-5	-0.01	-1	1	11	97	>15.00	-1	0.26	-2	0.01	22	29	-0.01	-1	383	11	0.12	12	-5	-10	20	-5	-0.01	-5	23	-10	25	
516635	Toro Blanco	11-10-10	S. Park	514230	8531238	4288	outcrop	chrl chip	2m	ands	arg	Md	lm	aln	Andesite, mod 22	0.4	0.36	61	284	-5	-0.01	-1	-1	23	24	2.18	-1	0.30	-2	0.01	9	4	-0.01	1	48	8	0.08	-5	-5	-10	12	-5	-0.01	-5	3	-10	-5	
516636	Toro Blanco	11-10-10	S. Park	514125	8531238	4336	outcrop	chrl chip	2m	ands	adv arg	Sl	lm	aln	Andesite prop 17	-0.2	0.19	37	17	-5	-0.01	-1	-1	35	26	1.07	-1	0.02	-2	-0.01	83	19	-0.01	3	76	12	0.02	-5	-5	-10	40	-5	-0.01	-5	3	-10	-5	
516637	Toro Blanco	11-10-10	S. Park	514075	8531315	4382	outcrop	panel	2x2m	ands	adv arg	Sl	hm	aln	Andesite, f.g., 24	-0.2	0.31	35	233	-5	-0.01	-1	-1	65	13	0.51	2	0.08	-2	-0.01	25	26	-0.01	2	146	14	0.03	-5	-5	-10	107	-5	-0.01	-5	1	-10	-5	
516638	Toro Blanco	11-10-10	S. Park	514070	8531250	4390	outcrop	panel	2x2m	ands	adv arg	Md	lm	aln	Andesite, f.g., 28	-0.2	0.41	44	217	-5	0.02	-1	-1	24	12	1.12	-1	0.31	15	0.01	21	16	0.01	1	194	62	0.28	8	-5	-10	38	-5	-0.01	-5	3	-10	-5	
516639	Toro Blanco	11-10-10	S. Park	514065	8531228	4396	outcrop	panel	2x2m	ands	adv arg	Md	lm	aln	Andesite, f.g., 30	0.2	0.41	28	133	-5	0.01	-1	-1	74	11	0.80	-1	0.25	9	0.03	22	10	0.01	3	86	84	0.10	-5	-5	-10	18	-5	-0.01	-5	6	-10	-5	

Sample	WGS84E	WGS 84N	Elev'n	Type	L(m)	Dir'n	Structure	Description	Au ppb	Ag ppm	Al%	As ppm	Ba ppm	Bi ppm	Ca%	Cd ppm	Co ppm	Cr ppm	Cu ppm	Fe%	Hg ppm	K%	La ppm	Mg%	Mn ppm	Mo ppm	Na%	Ni ppm	P ppm	Pb ppm	S%	Sb ppm	Se ppm	Sn ppm	Sr ppm	Te ppm	Ti%	Tl ppm	V ppm	W ppm	Zn ppm
CB801	514487	8532020	4276 m	chip	1.5	vert	S ₀ =330/10	andesite flow? strong lim alt'n in vugs, fx, and mx; qtz mvts; arg	55	0.2	0.47	134	289	-5	0.41	2	-1	102	124	2.88	-1	0.20	6	0.17	40	11	0.03	4	913	20	0.14	6	-5	-10	23	-5	-0.01	-5	25	-10	184
CB802	514471	8532000	4285 m	sel. grab	3.0	270	vein=270/84	silic'd structure 2-6 cm, arg, vts & mvts, akinite? (adv. arg. alt'n)	23	0.3	0.56	33	245	-5	0.38	-1	3	73	115	3.45	-1	0.18	11	0.03	159	24	0.02	3	614	25	0.49	10	-5	-10	36	-5	-0.01	-5	23	-10	76
CB803	514463	8531995	4286 m	chip	1.2	vert	vein=255/90	alt'd tuff, stwk mvts w/fg diss py, lim+MnOx+arg	23	0.5	0.36	54	204	-5	0.07	-1	3	106	86	6.23	-1	0.23	6	0.01	53	18	0.03	4	1138	31	0.79	23	-5	-10	24	-5	-0.01	6	55	-10	51
CB804	514316	8531820	4384 m	chip	1.8	vert	no comment	alt' tuff, silica in und'n+qtz mvts, fg diss py, clay after feldspar, intermediate argillic alt'n	6	0.4	0.65	45	470	-5	0.07	-1	-1	40	53	2.10	-1	0.45	24	0.05	19	3	-0.01	2	350	112	0.36	10	-5	-10	32	-5	-0.01	-5	3	-10	13
CB805	514289	8531776	4396 m	chip	1.8	35	S ₁ =320/85	shear zone in tuff, very wk silica alt'n Sample taken to discard.	10	0.4	0.58	11	1014	-5	0.03	-1	-1	109	38	0.63	-1	0.42	5	0.03	20	3	0.01	4	63	10	0.08	-5	-5	-10	40	-5	-0.01	-5	2	-10	10
CB806	514241	8531677	4404 m	chip	7.0	70	no comment	tuff, silic'd mx, strong arg alt'n, common cg to fg py	72	0.3	0.49	54	101	-5	0.05	-1	2	79	52	1.27	-1	0.40	12	0.12	26	13	-0.01	3	183	43	0.62	-5	-5	-10	9	-5	-0.01	-5	10	-10	20
CB807	514242	8531639	4428 m	chip	2.5	120	no comment	tuff, silic'd mx, minor qtz mvts, lim bxwks	42	0.3	0.46	44	197	9	0.03	-1	-1	138	34	2.19	-1	0.47	14	0.09	24	20	0.02	4	115	12	0.38	-5	-5	-10	32	-5	-0.01	-5	13	-10	13
CB808	514296	8531530	4422 m	chip	2.5	20	no comment	alt' tuff, silica in und'n+qtz mvts, fg diss py, clay after feldspar, intermediate argillic alt'n	90	-0.2	0.56	51	276	7	0.03	-1	1	65	41	1.64	-1	0.37	29	0.06	28	18	0.01	2	438	16	0.13	11	-5	-10	26	-5	-0.01	-5	9	-10	12
CB809	514313	8531422	4401 m	sel. grab	0.4	na	no comment	vuggy silica w/lim	34	2.2	0.08	53	28	-5	0.05	-1	2	301	60	1.40	-1	0.07	8	0.02	97	79	-0.01	10	133	584	0.12	12	-5	-10	10	-5	-0.01	-5	8	-10	20

**INTERPRETATIVE REPORT
IP RESISTIVITY (ρ) SURVEY
TORO BLANCO PROJECT PERU
for
REY-WALLACE MINING COMPANY**

**Dr. Richard "Dutch" Van Blaricom
11/9/10**

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5. ADENDUM

General

Rey-Wallace Mining Company requested Van Blaricom Geophysical Research Institute to oversee an IP survey on their Toro Blanco Prospect in Peru. Subsequently VBGRI became involved in the planning and execution of the Induced Polarization (IP) and Resistivity (Rho. or ρ) survey on the Toro Blanco Project. The objective of the Survey was the Detection and Delineation of non-exposed Sulfides, and/or Siliceous Zones associated with Gold bearing zones. The delineation of these can lead to drill targets and the potential for the discovery of high quality Bulk Gold Bearing Zones of mineralization.

The physical survey was contracted to Fugro © Ground Geophysics located in Peru. The equipment used was a time domain system built by Ω IRIS Instruments ©, a French Geophysical Instrument Manufacture. The system utilized an symmetrical 8 second period square wave with a 50% duty cycle. This results in a 2 second pulse followed by a two second reading time, a reversal and another 2 second pulse followed by a reading time. The IP response was gathered and displayed as a Scintrex Standard in milli-seconds (ms). The electrode configuration was a Dipole-Pole using a 200 meter Electrode Separation "a" Spacing; readings were taken for N spacing of 0.5, 1.5, 2.5, 3.5, 4.5, and 5.5. Using the one half spacing interval gives a shallow reading which was done to increase the shallow resolution of the survey. The line spacing was 400 meters. All of the lines were run from east to west with the receiver dipole leading. A secondary feature of the receiver is that it records the SP values for each receiver dipole. The readings for each dipole were averaged to determine a reasonable average value for dv/dx . By summing the values for the reading for each line from west to east, a reasonable SP profile in mv was constructed. The profile is not shown the interpretation is presented along with the interpretation of the IP Rho survey.

The logistics on the property was difficult, and it was decided that five lines could be surveyed and remain within our budget. The crew was composed approximately 20 locals helpers under the direction of approximately five full-time Fugro Geophysicists and geophysical technicians. It soon became obvious that the crew was working faster than planned and a sixth line was added. This resulted in six lines covering 18.8 line kilometers of data.

The line of data transfer.

The data is gathered in the field, and then sent to Fugro's home office in Lima. There, the data is examined and determined to pass Fugro's muster. The data

is then passed through minimal processing. This consisted of averaging the number of stacks for each reading, and producing an average, and standard deviation for both the resistivity and the chargeability; and to transform the data from one digital format to another digital format which the author can process.

VBGRI performs a normal processing, as well as passing the data through 7 different statically processes to make sure the data is not cluttered with noise and, spatially correlated with its nearest neighbors. Generally the data taken one day in the field was transmitted to VBGRI the next morning. However, that process did falter now and then.

The author calculates the true geometric constant when calculating the Resistivity. Most contractors use a generic value assuming a flat earth and the remote electrode to be at infinity (thus being eliminated from the calculations).

The author uses all electrodes positions, and assume the remote electrode to be at a finite distance not at an infinite distance. Thus the remote electrode is a Semi-infinite electrode and its position must be used in calculating the Apparent Resistivity. The author uses the true distance (three dimensional distance not map distance) in the calculation. By using all of the electrode and the true distance in the resistivity equations; error as much as 30% have been corrected. This cleanses up the resistivity values to a large extent.

Distortion of the Depth of Exploration Due to Elevation Changes along the Profile: The depth of investigation is greatly distorted by elevation changes along the profile. Figure i, illustrates the authors method of correcting for this. The profile of line 8531200 N is an excellent example of said distortion and the authors correction process.

It is obvious that preceding from east to west there is a large increase in topography. On a flat surface it has been determined (Ward 1965) that the depth of investigation is proportional to the separation between the center of the receiver Dipole and the Transmitter pole. One way to illustrate this is that a Pole Dipole survey is nothing more than a 1/2 Schlumberger Survey (Sumner 1966) This being true, then it is obvious if one either increases or depress the elevation of one electrode as the elevation changes, then the depth of investigation is changed. Another example would be if one electrode pair is on the south side of a valley and the other electrodes are on the north side of a valley the depth of investigation also must decrease from that of a flat surface. Concurrent to this if one electrode is on the south side of a hill and the other electrodes are on the other side of a hill, the depth of investigation is possibly

less effected. Simple Physics Ph-101 experiments can also illustrate this. The author has constructed an equation to compensate for this. The function compensates for changes in elevation, and also compensates for the depth of investigation to be proportional to said separation of the Pole to the center of the Dipole. There are also distortions in Resistivity caused by large areas of resistivity changes such as a low resistivity layer on top of a resistive layer. Other methods are also employed in areas of layered resistivity discontinuities.

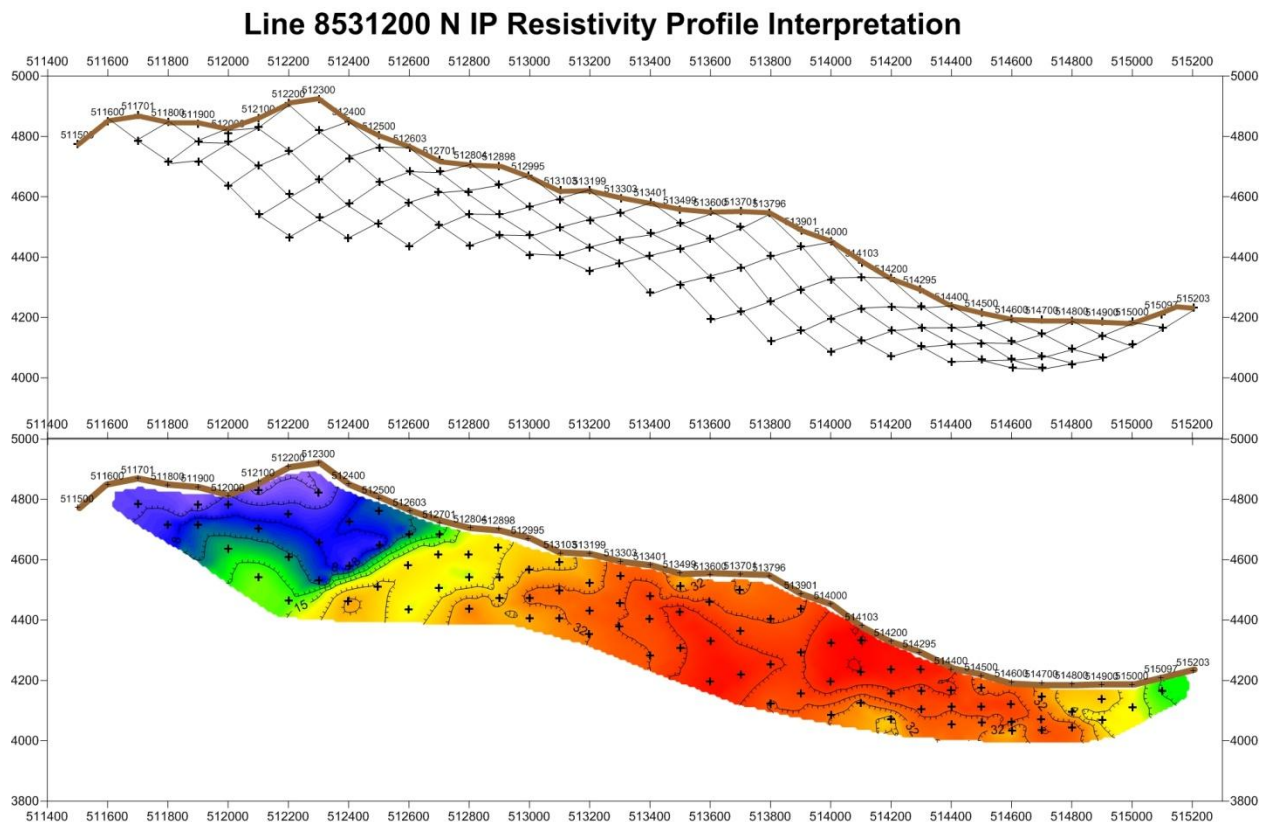


Figure i Showing the distortion of depth of investigation due to Topography

RECOMMENDATIONS:

Geophysics: It is recommended that three additional lines be run on the project using the same configuration, 400 meter line spacing, 200 meter "a", and $n = 0.5$ to 5.5. Two of the lines should be placed on the northern edge Lines 8,532,400 N, and 8,532,800 N and one extra line on the southern edge Line 8,521,600 N.

It is also recommended that 17 drill holes be drilled to test the geophysical targets. The location of these holes, and their purpose is listed in the following figure. All of the Drill holes test multiple targets. The location of these PGP DH's are also found on Map-2.

Proposed Drill Holes Based on the IP, Rho, and SP Survey (PGP-DH)									
Proposed GP Drill hole	Easting	Northing	Angle from Vertical	Depth in meters	To test the following IP, Rho, & SP Physical Properties				
					IP			High Rho (SiO ₂)	SP Shear Zone
					Low	Low to Moderate	Moderate to high		
PGP-DH 001	512,800	8,530,000	30-W	450	X	X		X	
PGP-DH 002	513,300	8,530,000	30-W	500	X	X		X	X
PGP-DH 003	514,500	8,530,000	30-W	300	X				X
PGP-DH 004	513,200	8,530,400	30-W	500	X	X	X	X	X
PGP-DH 005	513,800	8,530,400	30-W	450	X	X	X	X	X
PGP-DH 006	514,400	8,530,400	30-W	400		X	X	X	X
PGP-DH 007	512,900	8,530,800	0	400	X	X		X	
PGP-DH 008	513,800	8,530,800	30-W	500	X	X	X	X	X
PGP-DH 009	514,400	8,530,800	30-W	400	X	X	X	X	X
PGP-DH 010	513,400	8,531,200	30-W	450	X	X	X	X	
PGP-DH 011	513,800	8,531,200	30-W	700	X	X	X	X	X
PGP-DH 012	514,300	8,531,200	30-W	500	X	X	X		X
PGP-DH 013	513,200	8,531,600	30-W	400	X	X	X		
PGP-DH 014	513,700	8,531,600	30-W	400	X	X	X		X
PGP-DH 015	514,400	8,531,600	30-W	300	X	X	X		X
PGP-DH 016	513,600	8,532,000	0	500		X	X	X	
PGP-DH 017	514,200	8,532,000	0	400		X		X	

Total Recommended drilling	7,550
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Table (1) List and purpose of proposed Drill Holes

Discussion and Interpretation of Data

General: The location of all of the IP stations and the Remote (Semi-Infinite Transmitter Electrode) are found on Map 1. This Map shows the extent of the survey area in general. The importance of the remote electrode is to show the distance that the electrode was separated from the main survey area. The electrode is perpendicular to the general center of the lines and this will minimize the Electromagnetic Coupling; although a minimal amount of EM coupling was noted in the data.

The actual area covered by the survey and the exact line configurations are shown on Map 2. Since the map is placed on a Google© Photo there is some minor distortion in the map. This map also contains an older version of the geology on the property. Please refer to the latest version of the geology map where needed. This map also contains the Recommended Geophysical Drill Holes (RGP-DH-OXX). These will be discussed in detail when discussing the individual profiles. The profiles will be discussed starting with the most southern line; Line 8,530,000 N and proceeding north to the most Northern Line 8,532,000 N.

Where the Gold will be Found?: The question is where will the gold be located. The author has chosen to interpret the data as areas of low Sulfides, Low to Moderate Sulfides, and Moderate to high Sulfides. These were specifically choose to be indicative of the general BULK sulfide distribution on this property. The actual IP response per Percent sulfides is an extremely complicated function. The IP responds to the surface area of metallic sulfides which is in contact with pore spaces; and is generally inversely proportional to the resistivity. Also in a general sense, the IP response over a large property may have a strong correlation to sulfides when considering the property in its entirety. However, there can be a high degree of variance in the ratio of IP to % Sulfides within a mineralized zone say from the more porphyry type of mineralization to that of a modest sized vein type of mineralization. If in fact the deposit is more of a homogeneous mixture of types of mineralization and alteration, then in a bulk sense there will be a reasonable function between Sulfide distribution, and measured IP effect.

It has been the authors experience that the higher gold values can be expected to be found both **proximal** to and/or **contained** with the anomalous IP zones defined for that particular survey area. When discussing IP Rho Surveys, the interpreter is generally discussing the BULK PARAMETERS not localized specific parameters. This is especially so when discussing a 200 meter "a" spacing. Small features may be gleaned from the survey (The author is well noted for doing such).

General interpretation of the profiles:

The data from profile to profile only changes a modest amount. There is some change in tenor, amplitude, and dimensions; but the main theme for the data is one of consistency of data.

This author has chosen to interpret the Moderate to High Rho rocks to be results of Silica Flooding. The author has also chosen to interpret the Low Rho to be indicative of several features to include the incipient Low Rho associated with some volcanic, as well as the result of Hydrothermal Alteration and the formation of clays. Other causes of the low resistivity (Rho) are the mechanical and hydrostatic fracturing associated with some mineralizing processes.

The SP associated with the Receiver Dipoles were recorded, averaged and displayed. SP is often used in gold exploration (Dick Fox). Several obvious SP anomalies were present. The individual SP profiles are not shown but the interpreted features are. There are some large amplitude SP features present. These are of such amplitude that they can only be due to a combination of two features. That would be a Shear zone that extends to great depths which also contains oxidizing sulfides. The interpreted shears are also included with the interpretation.

The IP response is very impressive. The lowest IP values (0.0 to 12.5 ms) are indicative of a normal rock response to include sericite. These low values are the responses of low percentages of clay, Sericite, and magnetite. The zones as indicated by the terms "Low Sulfides", "Low to Moderate Sulfides" and "High Sulfides" are purposefully intended to represent relative values and not absolute values. These are area specific only. These are only relative values and they are only for bulk parameters in the order of 50^3 meter cube or (125,000 cubic meter) in volume. **The emphasis is on BULK parameters.**

Plate 1-A, 2-A, 3-A, 4-A, 5-A, and 6-A represent the processed raw data. Plate's 1-V, 2-B, 3-B, 4-B, 5-B, and 6-B represent the interpretation along with the Recommended Geophysical Drill Holes based on the Geophysical information (RGP-DH-xxx). Since there is variability of gold values it is felt that these 17 drill holes are necessary to test the features in their entirety.

The IP anomaly is delineated to the East and West and starting to diminish to some extent to the North and South. However on every line the anomaly is open at depth

The overall continuity of both the Rho and IP is perceived as a positive feature. From a thermal dynamic point of view Long duration Hydrothermal events tend to produce large volumes of generally consistent Mineralized rocks. In both the resistivity and IP effect the continuity between the lines and along the lines is quite apparent. The high resistivity caps interpreted to be due to silicification is one of the exceptions to that statement; technically, however, it fits.

In the 1960's one of the descriptive that were utilized in describing the large Bulk Porphyry Deposit is that. "One had to take along a lunch in order to walk around it."

The Toro Blanco mineralized complex fist these criteria.

Line 8530000 N (Plate 1-A & 1-B): The Rho is generally low to moderate.. This is indicative of alteration, and fracturing during mineralization. Also some volcanic flows are inherently low in Rho values. The high Rho values seen in green and blue have been interpreted to be the response of silica flooding. This floods the fracture system and results in a higher than normal resistivity.

The interpretations are found on Plate 1-B. The IP is the most effective parameter to consider. The IP Response is quite definitive on this line. Plate 1-A indicated the anomalies are open at depth and that the anomaly is not closed off to the south. There are three low Rho shears on the profile that are interpreted from the SP profiles. These SP anomalies have been interpreted to be the response from mineralized shears. The proximity to these to the interpreted Silica flooded zones are of interest.

Three drill holes are recommended based on the interpretation on this line. The drill holes will test areas of interest.

Line 8530400 N (Plate 2-A & 2-B): Proceeding to the north the resistivity has about the same characteristics, however, the IP response increases both in magnitude and consistency. Again the IP responses are open at depth over most of the survey area.

There is the interpreted silica flooding (High Rho) on two areas on the profile. These also coincide with the interpreted Shear zones from the SP data. These are adjacent to Higher IP responses. The IP is indicative of a zonal pattern in the distribution of sulfides. This interpretation is consistent with that of a hydrothermal sulfide deposits. The bottom shown on the profile is a function of the depth of exploration and not the depth of physical properties. The interpretative section also contains the recommended drilling to test the targets over a wide area.

Line 8530800 N (Plate 3-A & 3-B): The intensity of the mineralization is increasing slightly in this direction. The high IP zones is more consistent in nature, but not necessary in intensity. The High Resistivity Cap is present in two areas.

The recommended drill holes will test the anomalies in three separate areas. It is felt that these holes will test the anomaly in various areas as well as with varying intensity.

Line 8531200 N (Plate 4-A & 4-B): Although there is variety in the lines, they are starting to look overall repetitive. There are similarities, however, just because a zone looks similar to another zone 400 meters away, does not mean that the mineral content is the same.

The High Rho (interpreted silica flooding) is present along with higher than background IP values. The higher IP zone is more confined than before, and there is a better developed Low to Moderate Sulfide system. It is recommended that the three zones be tested with the recommended drill holes.

Line 8531600 N (Plate 5-A & 5-B): The ubiquitous high resistivity cap is not as prevalent and strong as on previous lines. It may be present however, the data indicates that it is much thinner and possibly broken up. The overall intensity of the system is diminishing in lateral extent, and the lesser lower Sulfide system is somewhat larger in extent. However, there is a large, well developed, modest sized, higher IP zone. The importance of this zone should be evaluated.

The three proposed drill holes are deemed necessary to test the mineral potential of these areas.

Line 8532000 N (Plate 6-A & 6-B): This line is near the edge of the anomalous survey area; the response is diminishing to the north but, still present. However, there still is enough action to constitute an extremely interesting area. There is a low resistivity zone on the central western portion of the line. This is probably not of economic interest. To the eastern side of the profile the high resistivity is interpreted to be representative of Silica Flooding. The IP anomaly is diminishing in this direction, however, there is a well developed low to moderate sulfide system developed. The low grade IP system is still present on the eastern portion of the line. The system is open to the east.

Map 6-B Shows the IP interpretation; two drill holes are recommended to test the potential of this area.

DISCUSSION OF MAPS:

The main information from an IP Rho survey is contained within the individual profiles. However, there is important information in the Maps. The primary function of the maps is to show the continuity of the IP Rho response.

The IP Rho responses for the Toro Blanco deposit are exceedingly continuous from line to line over a large area. The best method to indicate these is by using 3-D perspective views of the IP responses. Figures 1 through figure 6 are composed of three views of the IP response looking

directly down, angled to the Northwest, and angled to the Southwest. These are taken with the IP at two different levels, the first at a low level > 17.5 ms (indicating the approximate extent of the lower Sulfide) and the second at a higher IP level of > 63 ms (indicating the approximate extent of a higher level of sulfides). The lower sulfide extends to a larger surface area, then the higher levels of sulfides, but they both show a large degree of continuity in the responses.

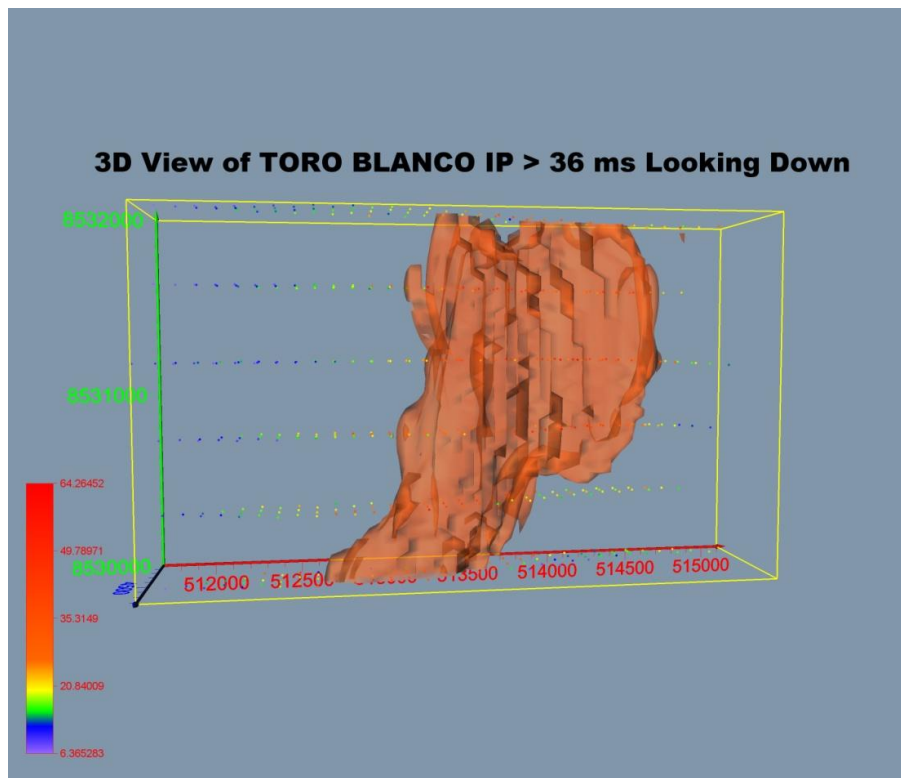


Figure 1 IP > 36 ms Looking Down

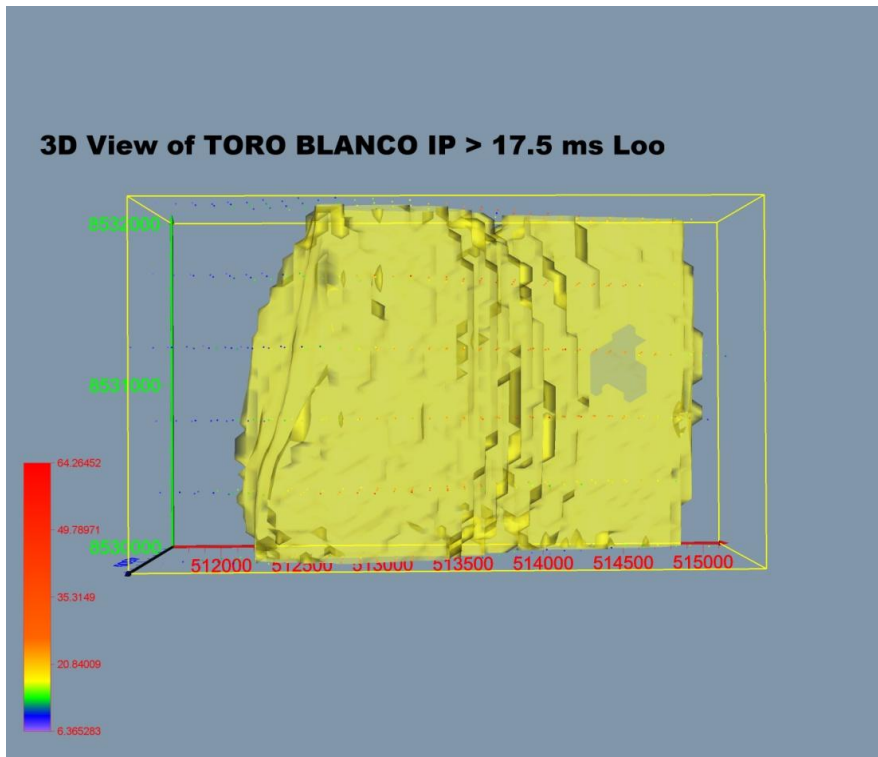


Figure 2 IP > 17.5 ms looking Down

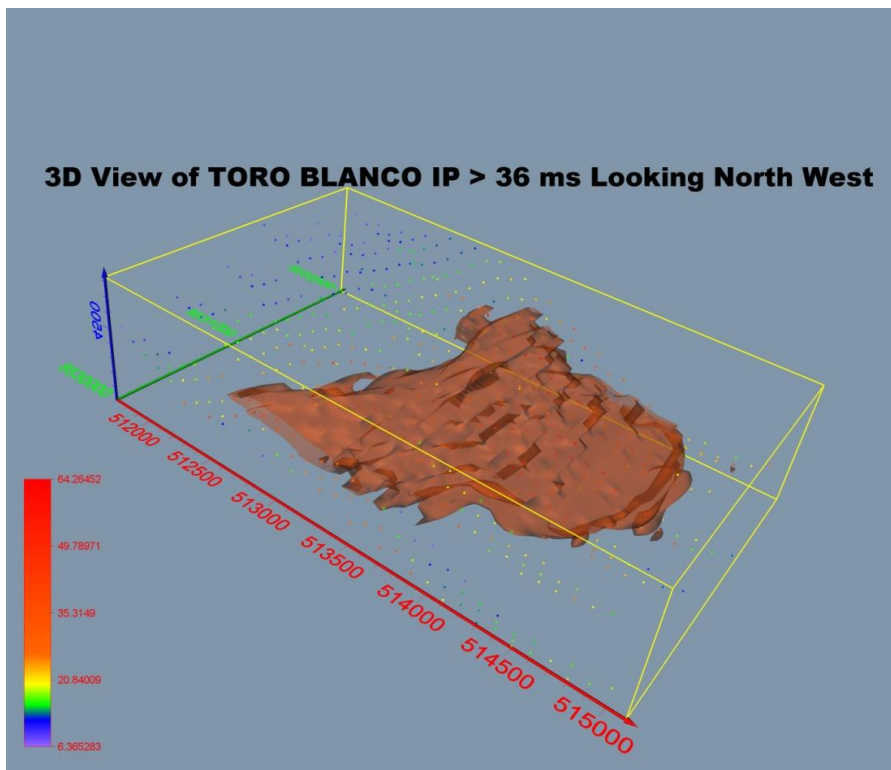


Figure 3 > 36 ms looking Down and to the North West

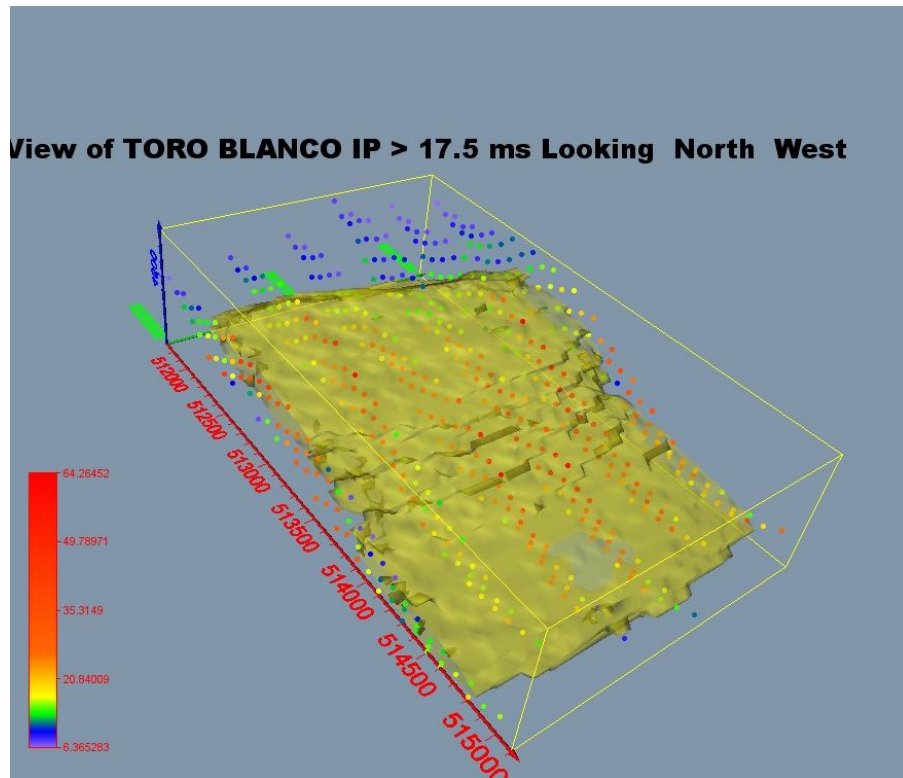


Figure 4 > 17.5 ms Looking Down to the North West

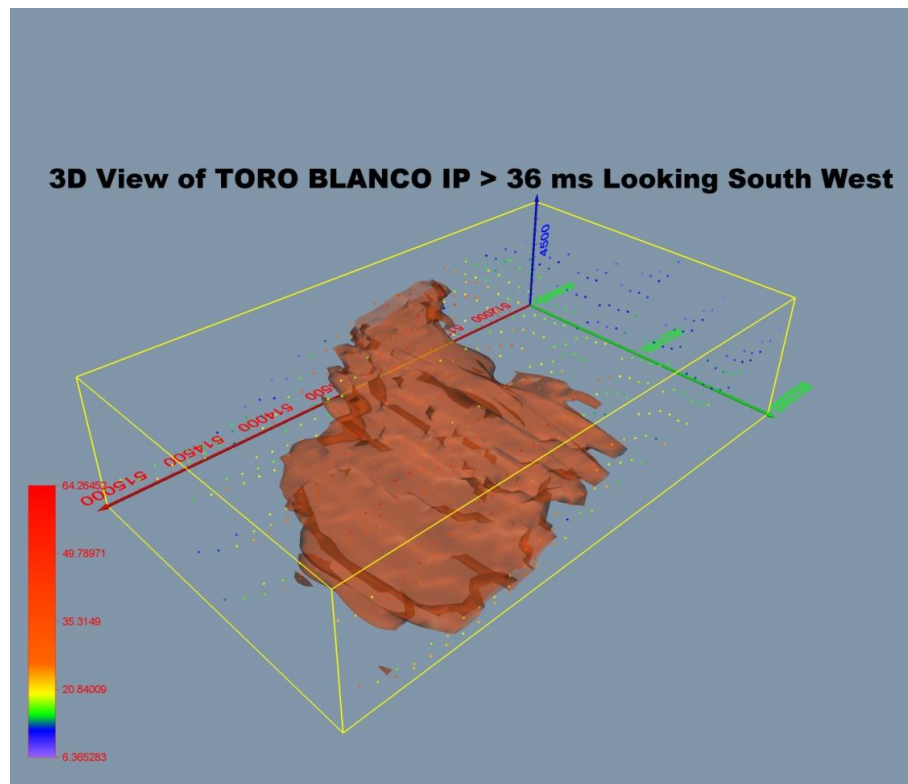


Figure 5 > 36 ms looking Down to the Southwest

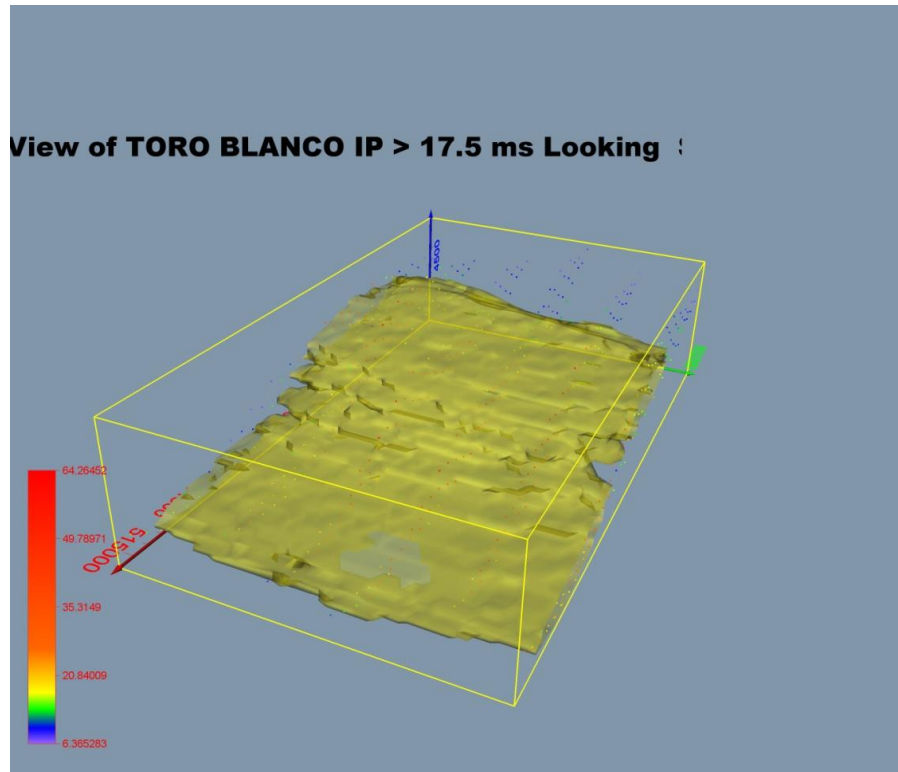


Figure 6 > 17.5 ms looking Down to the South West

The next is a series of seven figures, that looks at one view of the IP response looking down and to the Northwest. The IP response is shown as > than 12.5 ms, > 15 ms, > 20 ms, > 25 ms, > 32 ms > 40 ms, and > 50 ms. This is the same logarithmic interval that I use to contour the data. This is an equally space based on an increase in level by an order of 25%. As an example an increase from 10 to 12.5 is an increase in 25% and an increase from 40 to 50 is an increase in 25% and so forth.

The figures start with the lower levels which constitute the larger volume. As the interval increases it covers an ever decreasing volume. The continuity changes a small amount from 12.5 ms until the level of from 25 ms to 32 ms. This is the beginning of modest changes in lateral extent. Then the continuity begins to decrease one proceeds from 32 ms to 40 mc and then on the 50 ms.

The question is just what does this indicates. The afore mentioned 7 figures indicate that there is a great deal of continuity in the data over a large span of IP effect. This is highly suggestive of a large generally contiguous sulfide system

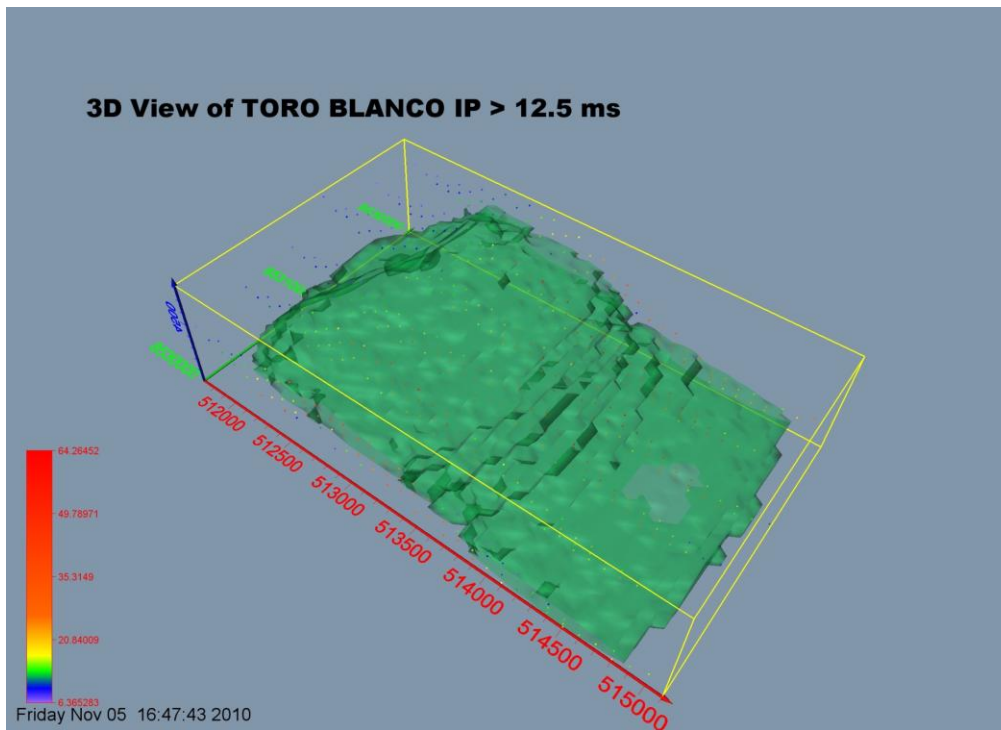


Figure 7 looking down to the northwest IP > 12.5 ms

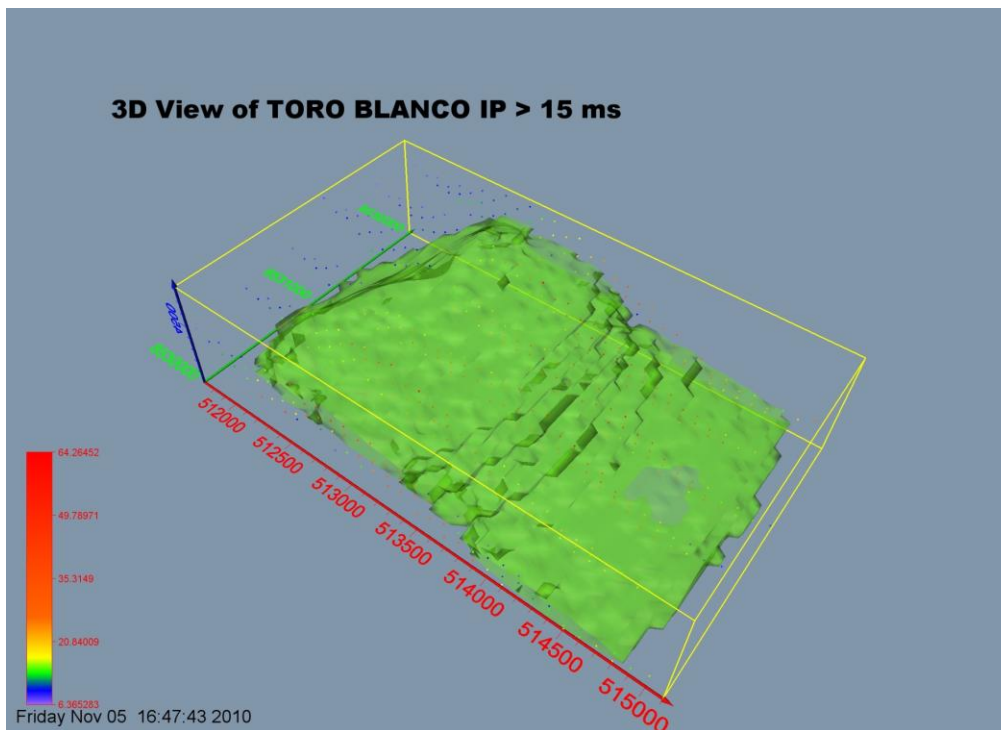


Figure 8 looking down to the northwest IP > 15 ms

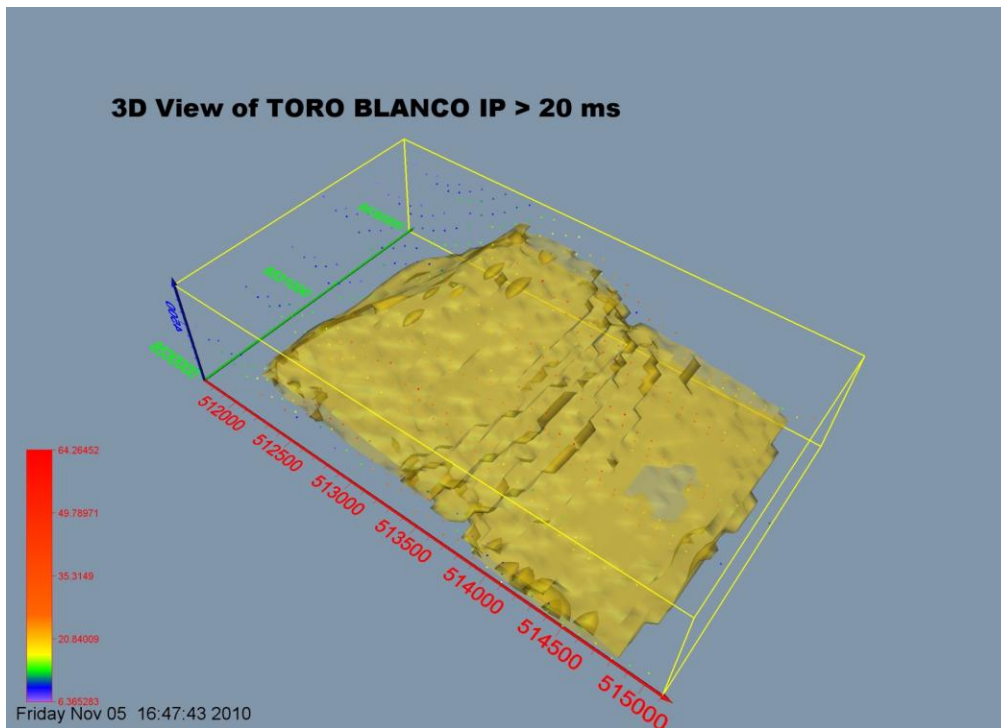


Figure 8 looking down to the northwest IP > 20 ms

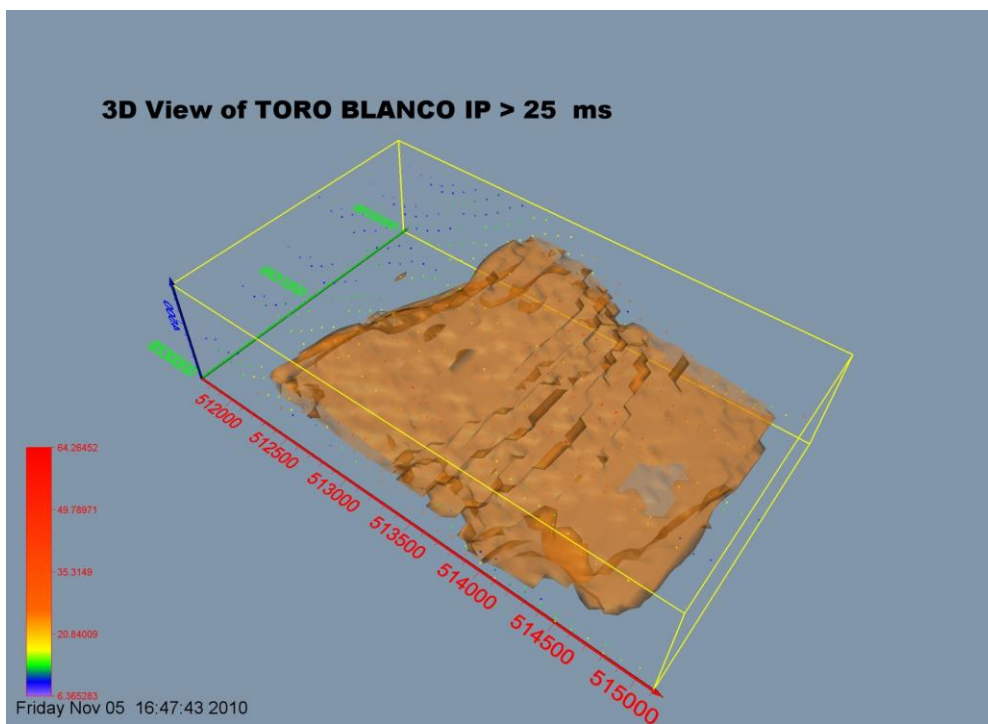


Figure9 looking down to the northwest IP > 25 ms

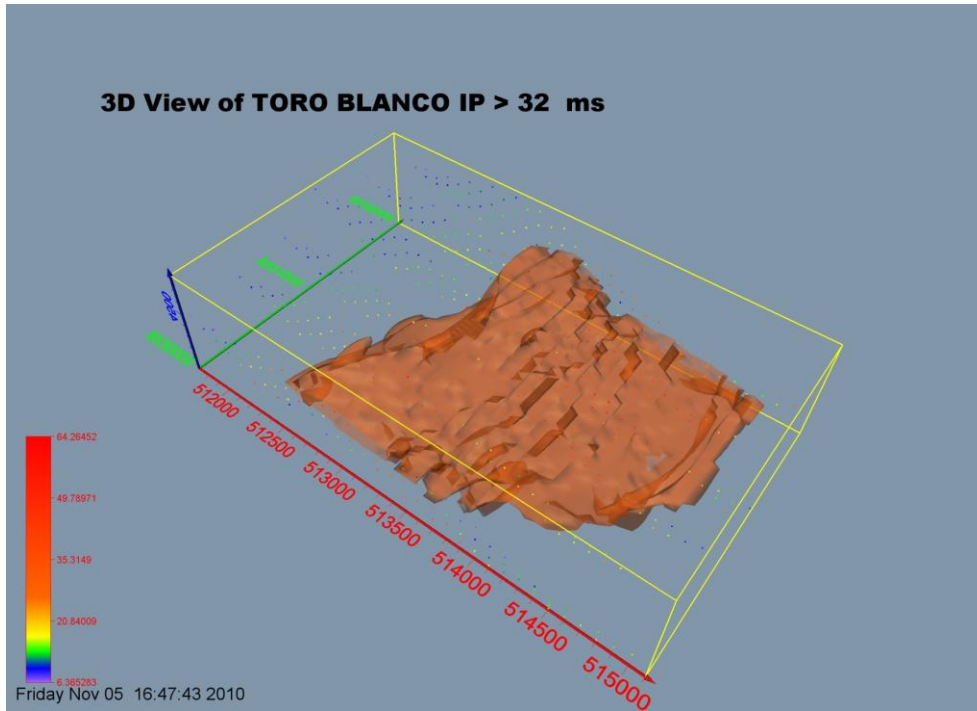


Figure 10 looking down to the northwest IP > 32 ms

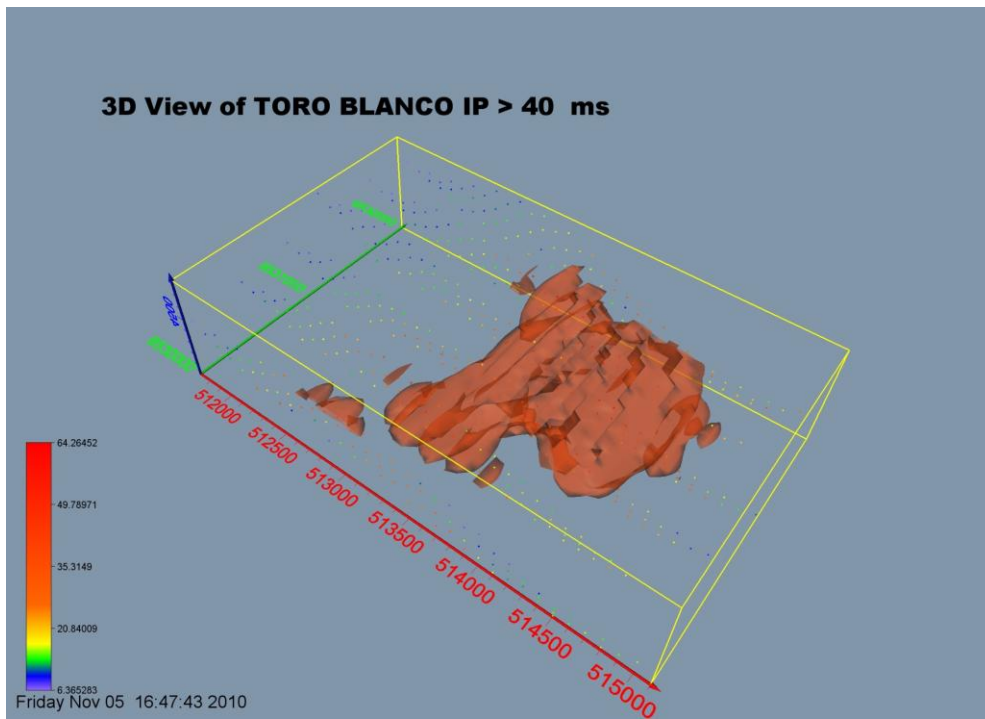


Figure 11 looking down to the northwest IP > 40 ms

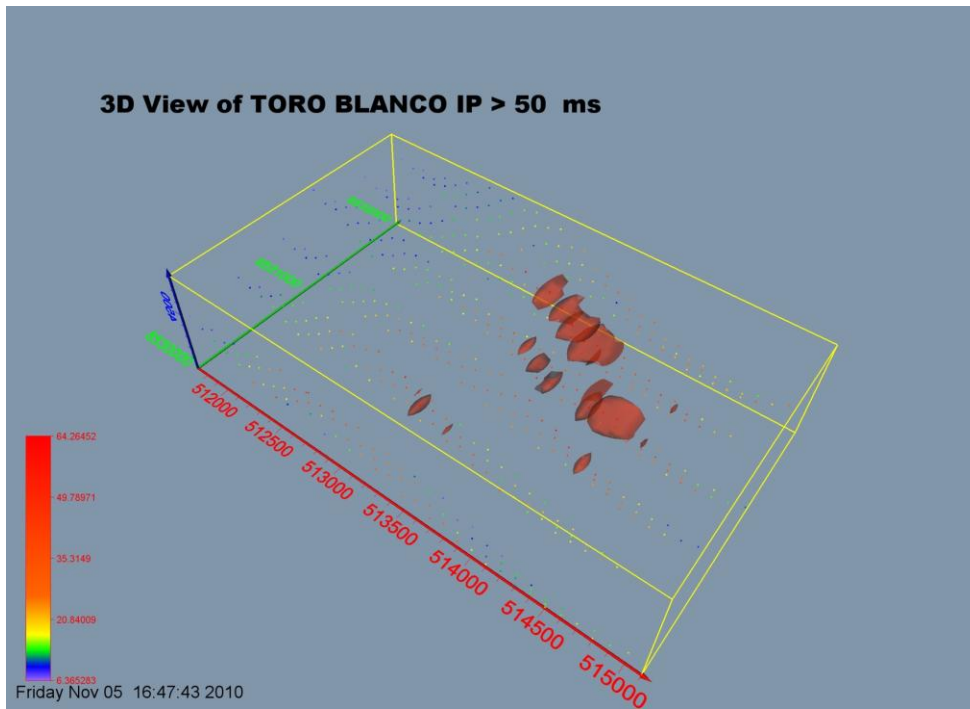


Figure 12 looking down to the northwest IP > 50 ms

Closing statement:

Much of the above interpretations are based on the authors experiences. The Authors' Opinion are based on the field experience of over 106 Gold properties (of which some are still in production and some are coming into production). These Gold Deposits and mines are located in Alaska, Washington, Montana, Oregon, New Mexico, Idaho, Nevada, Mongolia, California, North Carolina, South Carolina, Quebec, British Columbia, Mongolia, China, Mexico, and Honduras. Dr. Van Blaricom has over 47.5 years of Geological and Geophysical Exploration experience and having personally conducted the field work and interpretative reports on Geophysical Surveys on over 450 mines and deposits.

It has been the authors experience that the high gold values can be expected to be found both proximal to and/or contained with the higher IP zones for that particular survey area. When discussing IP Rho Surveys, the interpreter is generally discussing the BULK PARAMETERS not localized specific parameters. This is especially so when discussing a 200 meter "a" spacing. Small features may be gleaned from the survey (The author is well noted for doing such). We are certainly discussing bulk parameters when "L" (the distance between the center of the Receiver Dipole and the transmitter Pole is 1,000 meters (Pole-Dipole, 200 meter, $n=5.5$).

I had the personal satisfaction of working for Harold Courtright and Kenyon Richard (ASARCO) and had the pleasure of having John Guilbert as a friend, professor, and advisor. While attending the University of Arizona I was also fortunate to have studied under the Direction of Dr. John Sumner; and was lucky enough to have Dr. Guilbert as one of my advisors. During the authors early years in the field he was fortunate to have worked under the direction of Dr. Phil Hallof President of McPhar Geophysics, Dr Stan Ward Consultant and friend, and Cal Moss Chief Geophysicist of ASARCO. All of these individuals were instrumental in my formal and informal education. I wish to honor them with my gratitude.

Respectfully Submitted

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Professional Geologist
State of Idaho # 278

Professional Geologist/Geophysicist
State of Washington # 724

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Harold Courtright (ASARCO 1967 to 1974) Personal Communications, I was a Division Geophysicist Harold was VP. Exploration.

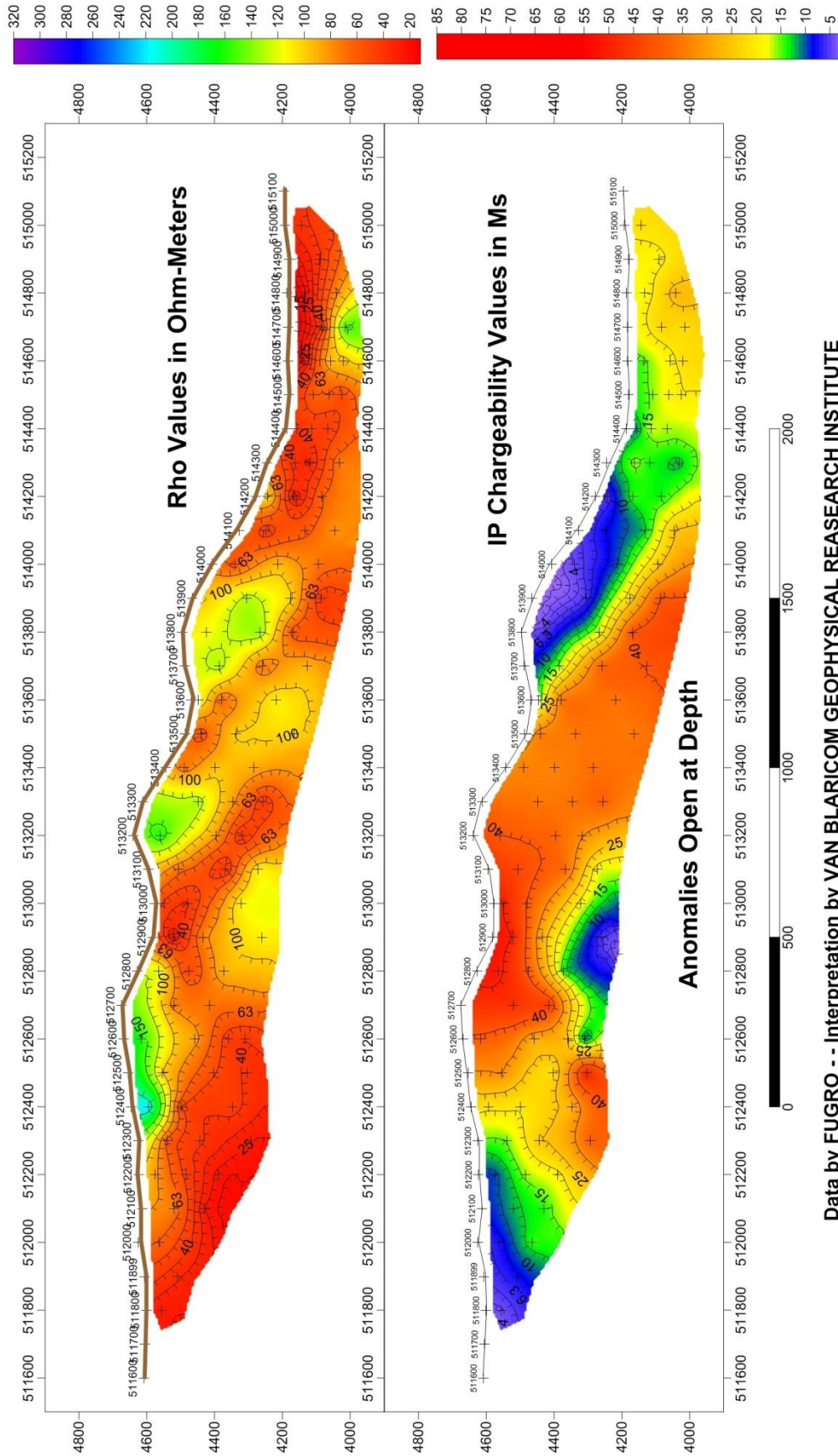
Dick Fox personal communication 1968 to 2009

Kenyon Richard (ASARC) 1967 Field trip in Arizona

Ward, S. (1963 to 1985) Personal Communications.

Line 8530000 N IP Resistivity Profile Toro Blanco Project Peru for Rae Wallace Mining Company

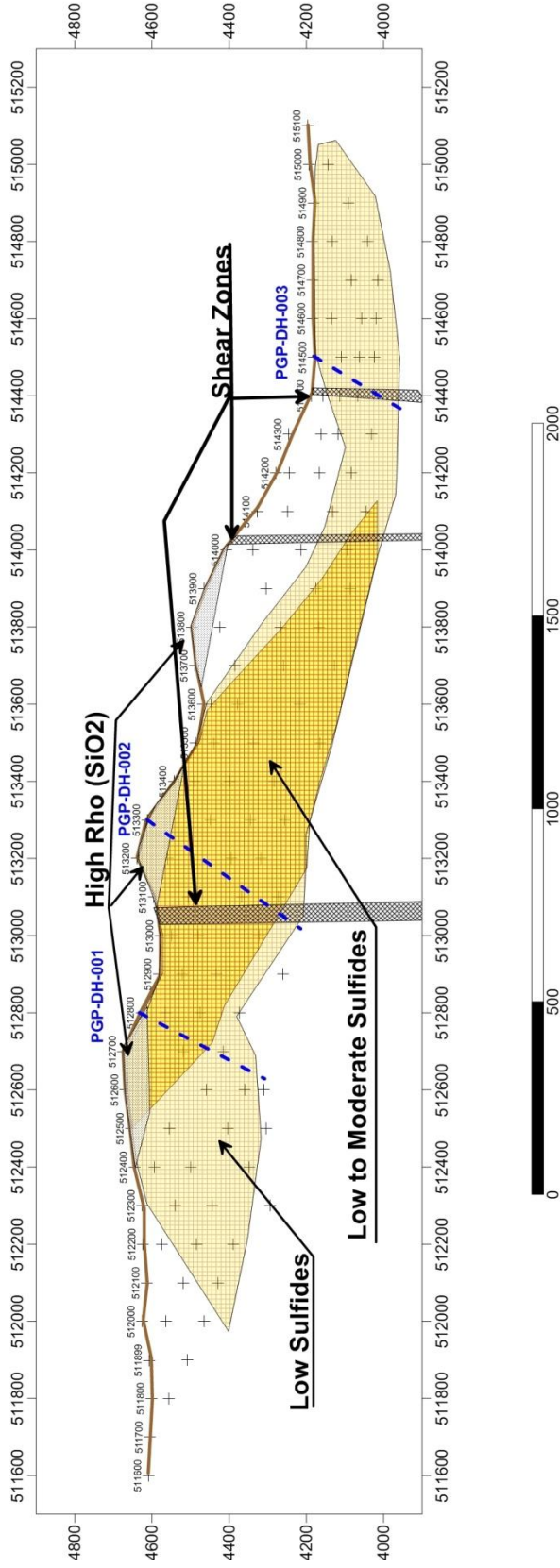
Plate 1-A



Data by FUGRO -- Interpretation by VAN BLARICOM GEOPHYSICAL RESEARCH INSTITUTE

Line 8530000 N IP Resistivity Profile Interpretation Toro Blanco Project Peru for Rae Wallace Mining Company

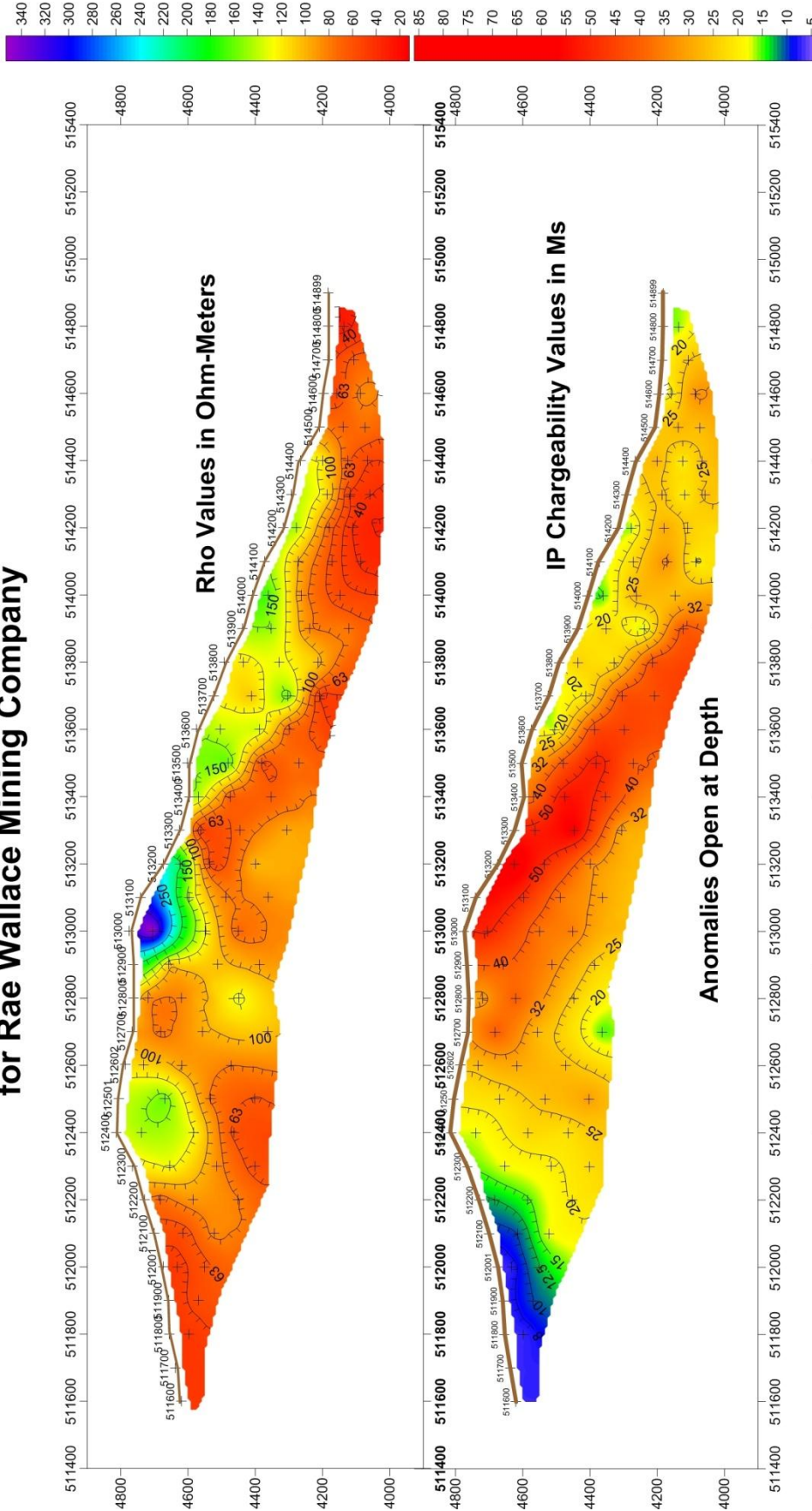
Plate 1-B



Data by FURGO -- Interpretation by VAN BLARICOM GEOPHYSICAL RESEARCH INSTITUTE

Line 8530400 N IP Resistivity Profile Toro Blanco Project Peru for Rae Wallace Mining Company

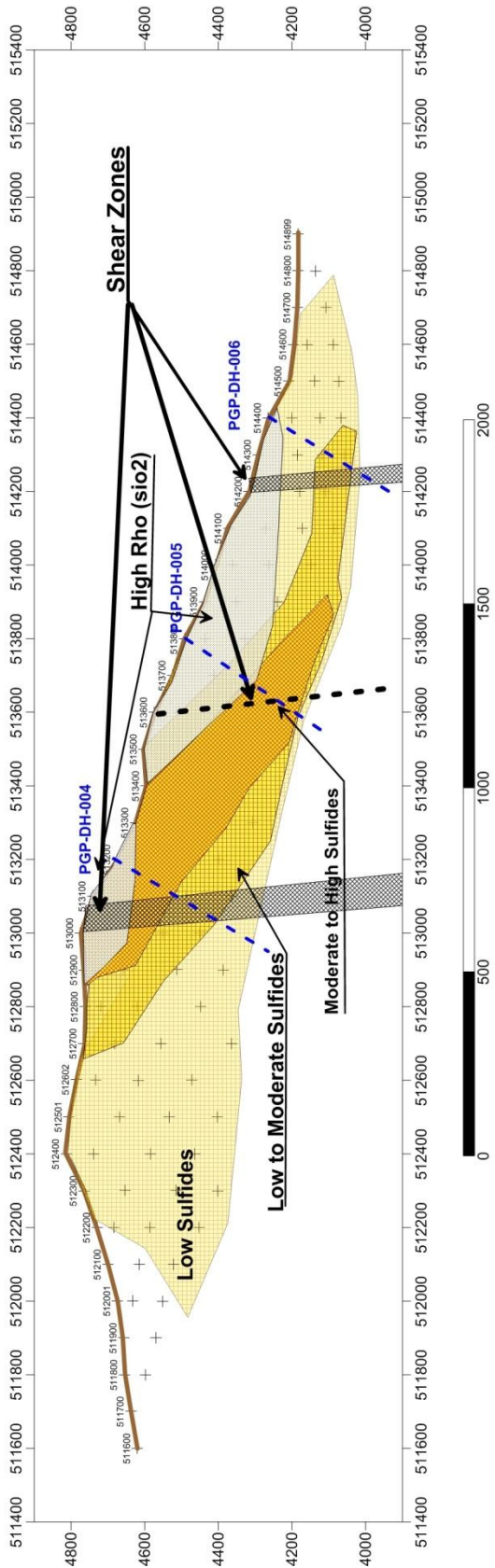
Plate 2-A



Line 8530400 N IP Resistivity Profile Interpretation Toro Blanco Project Peru

for Rae Wallace Mining Company

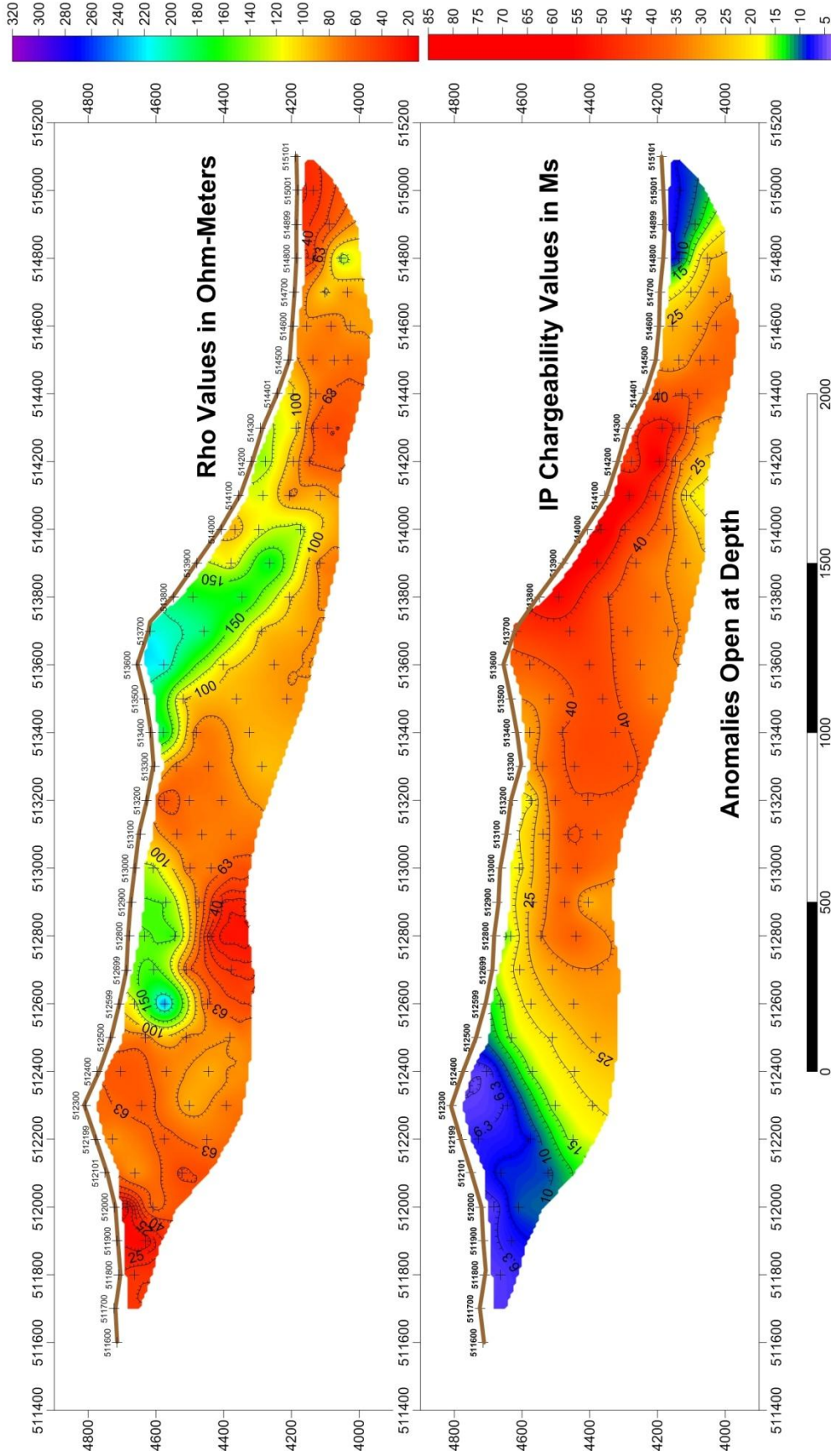
Plate 2-B



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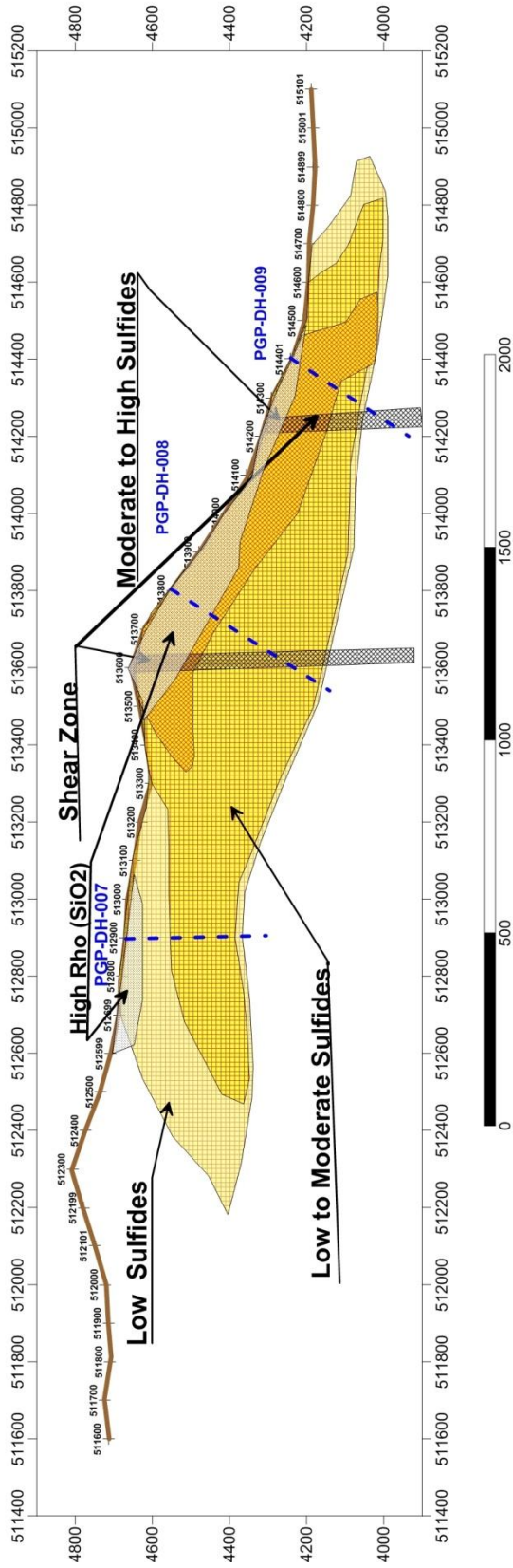
Line 8530800 N IP Resistivity Profile Toro Blanco Project Peru for Rae Wallace Mining Company

Plate3-A



Data by FUGRO - - Interpretation by VAN BLARICOM GEOPHYSICAL RESEARCH INSTITUTE

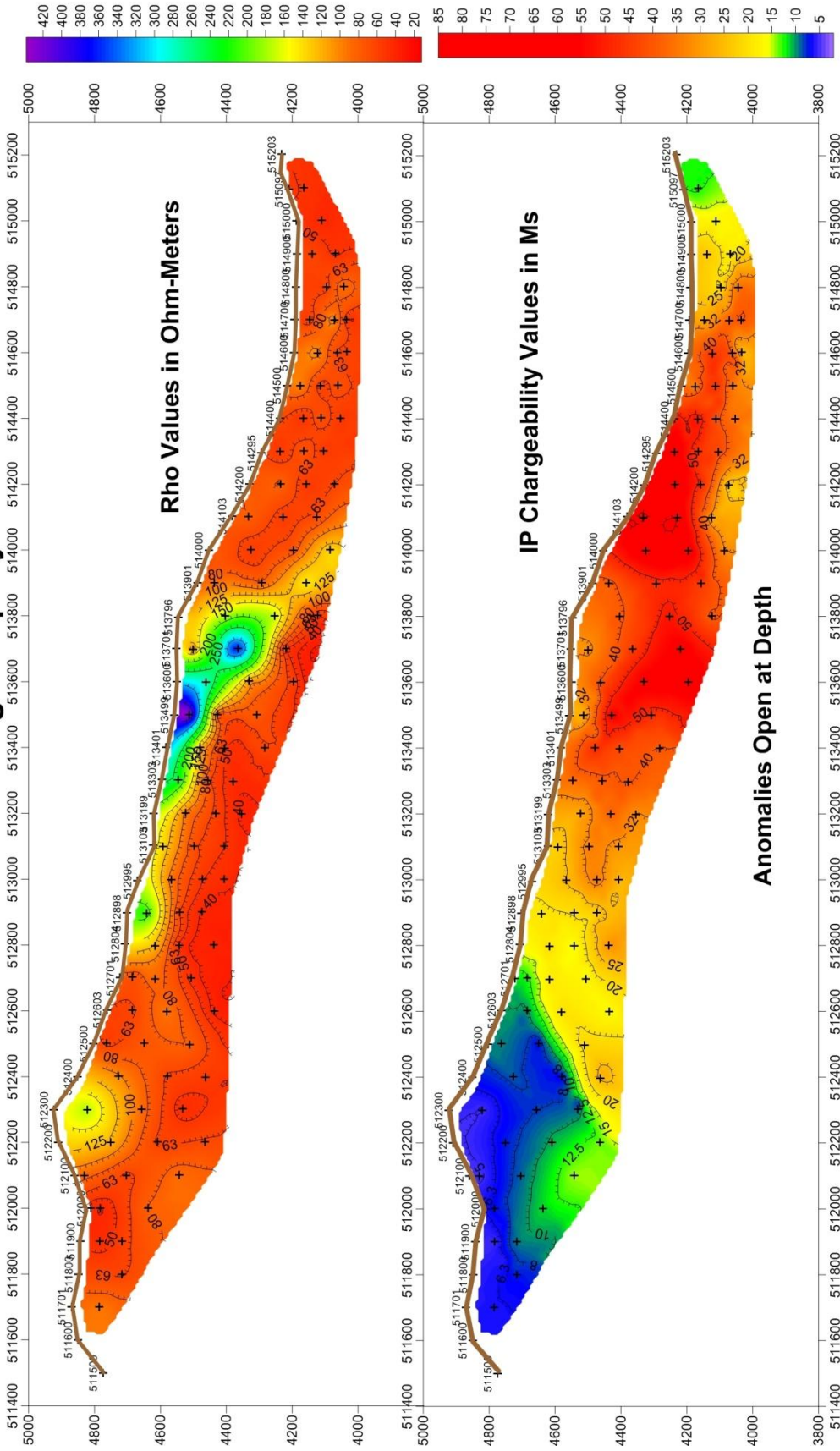
Line 8530800 N IP Resistivity Profile Toro Blanco Project Peru for Rae Wallace Mining Company



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Line 8531200 N IP Resistivity Profile Toro Blanco Project Peru for Rae Wallace Mining Company

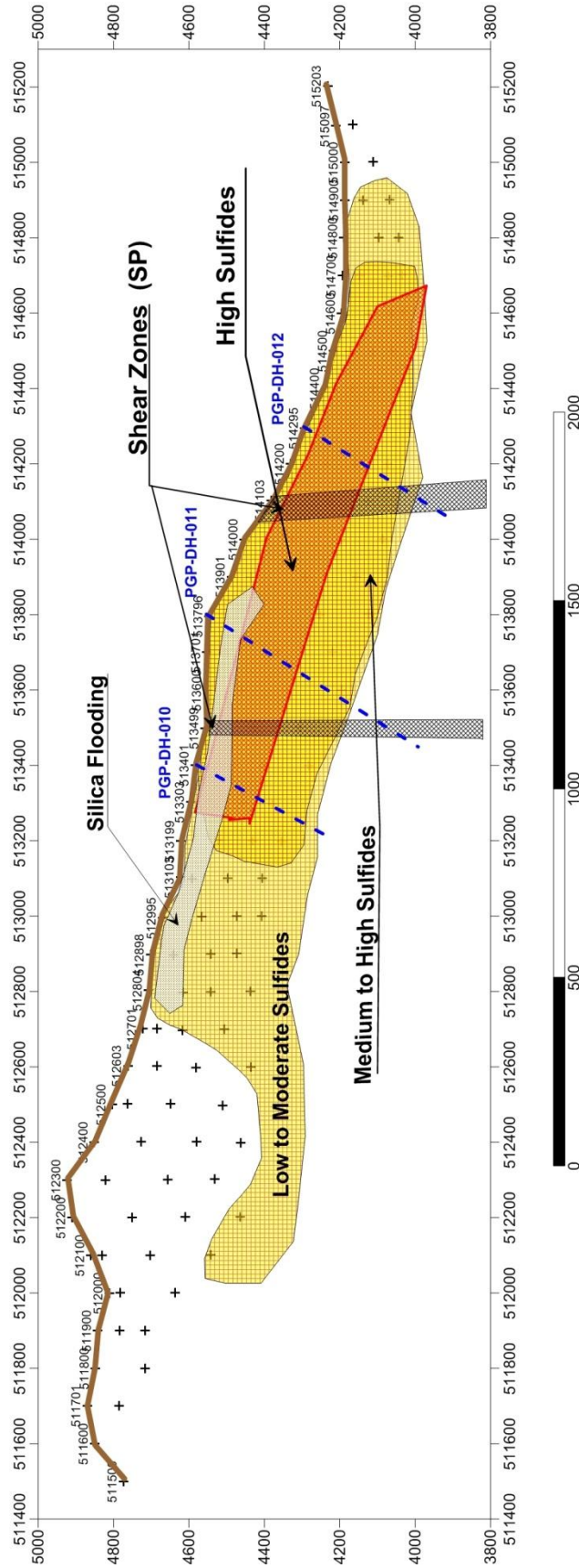
Plate 4-A



Data by FUGRO -- Interpretation by VAN BLARICOM GEOPHYSICAL RESEARCH INSTITUTE

Line 8531200 N IP Resistivity Profile Interpretation
Toro Blanco Project Peru
for
Rae Wallace Mining Company

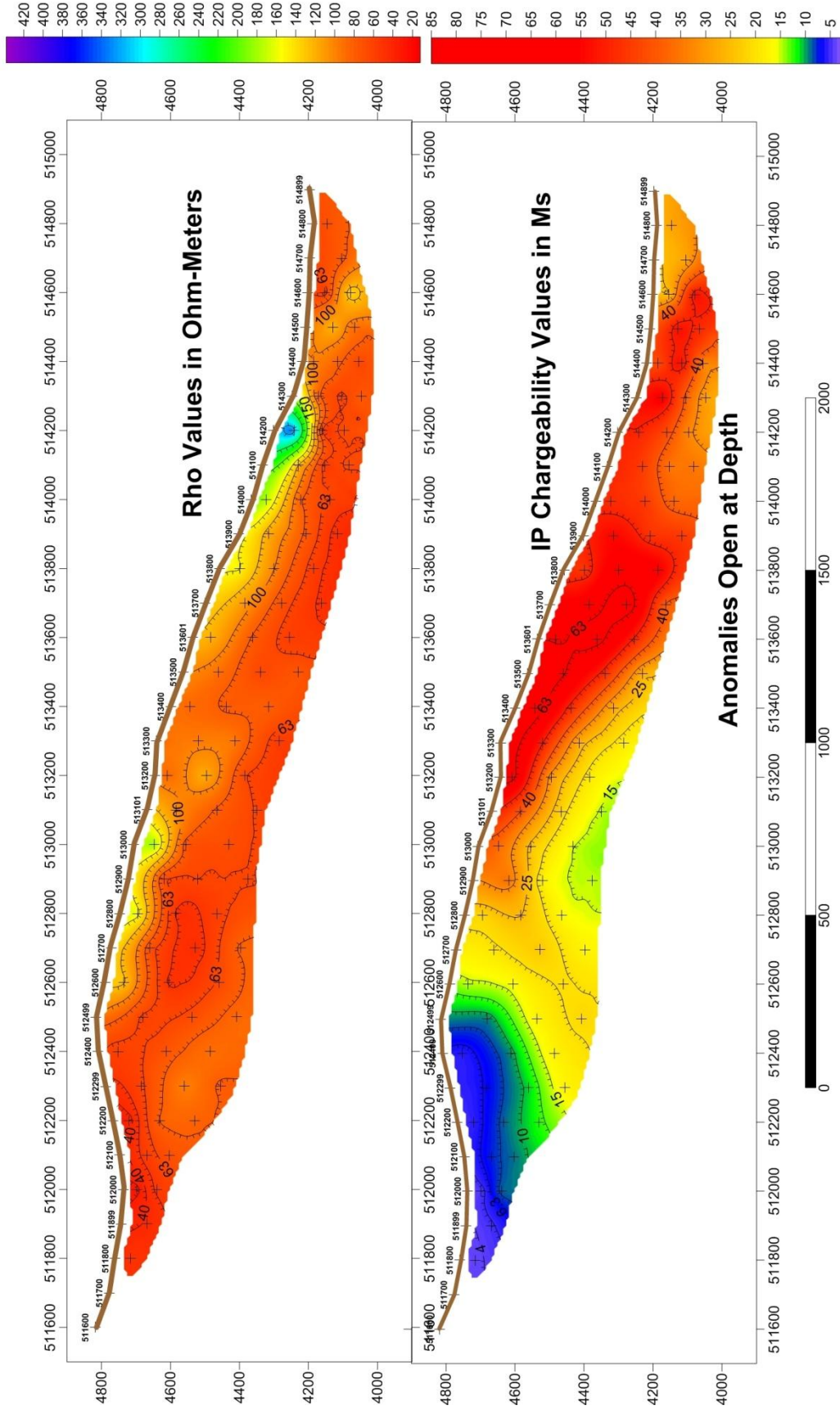
Plate 4-B



Data by FUGRO - - Interpretation by VAN BLARICOM GEOPHYSICAL RESEARCH INSTITUTE

Line 8531600 N IP Resistivity Profile Toro Blanco Project Peru for Rae Wallace Mining Company

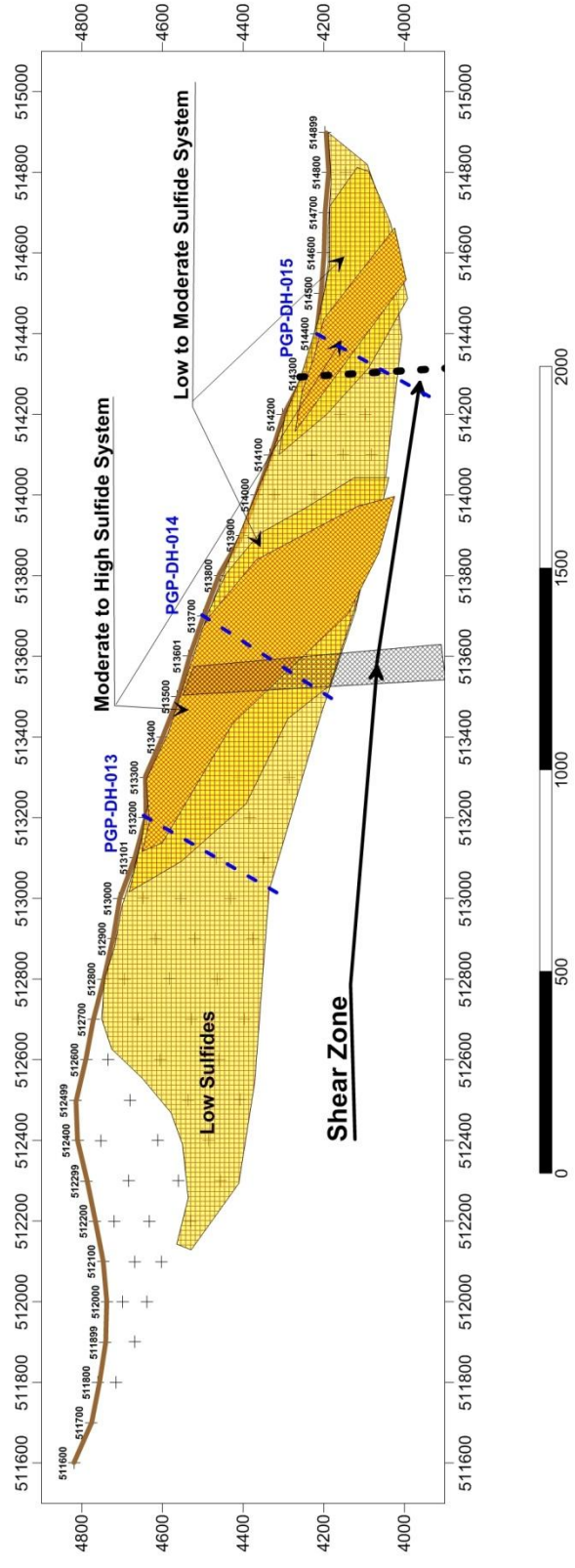
Plate 5 A



Data by FUGRO - - Interpretation by VAN BLARICOM GEOPHYSICAL RESEARCH INSTITUTE

Line 8531600 N IP Resistivity Profile Interpretation Toro Blanco Project Peru for Rae Wallace Mining Company

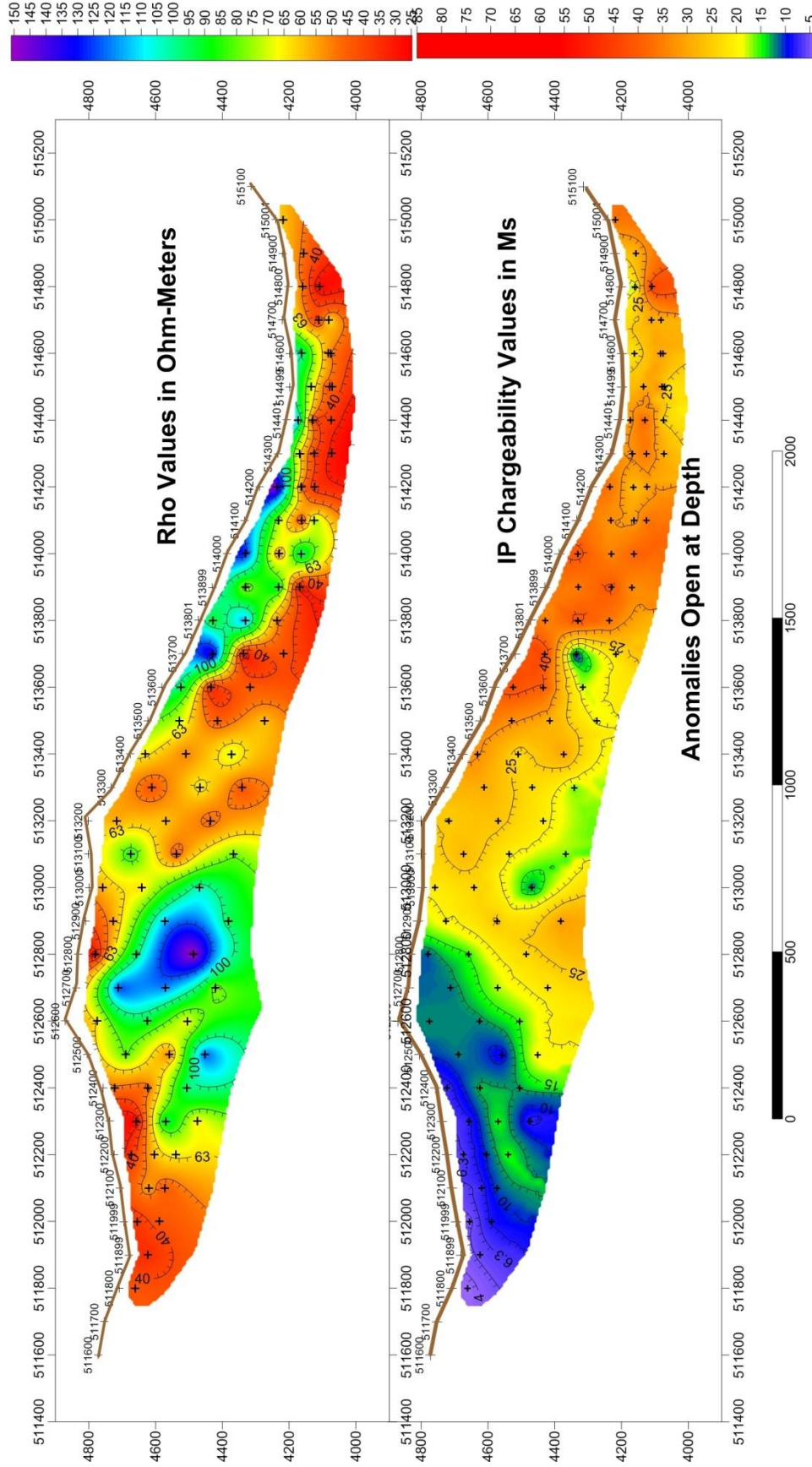
Plate 5-B



Data by FUGRO - - Interpretation by VAN BLARICOM GEOPHYSICAL RESEARCH INSTITUTE

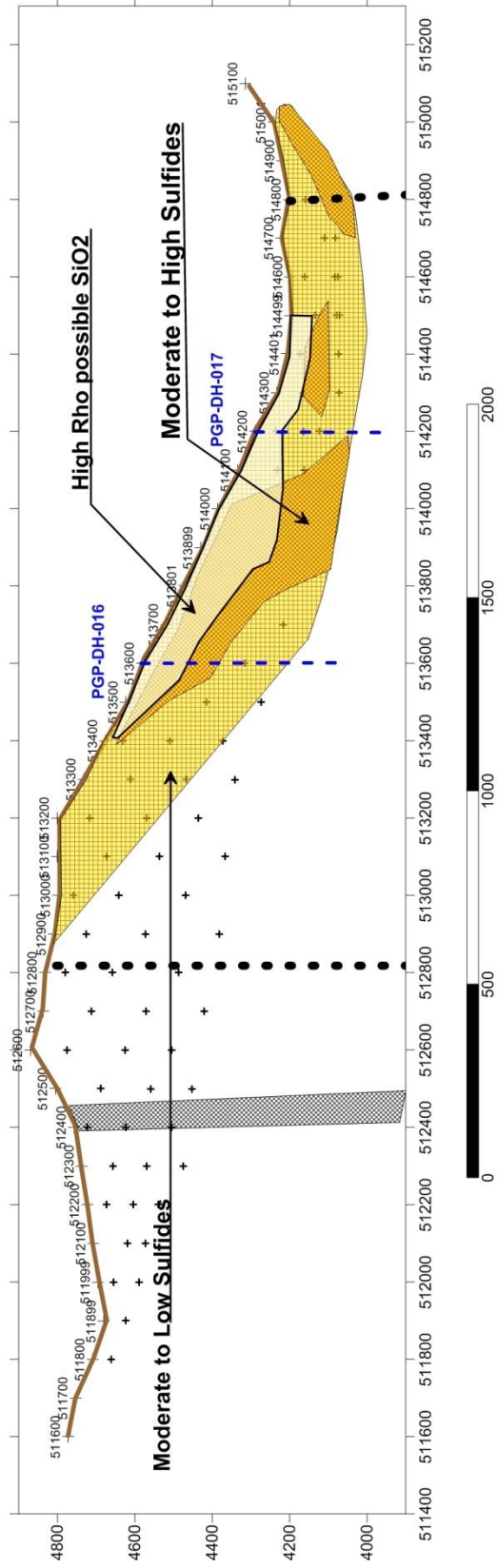
Line 8532000 N IP Resistivity Profile Toro Blanco Project Peru for Rae Wallace Mining Company

Plate 6-A



Data by FUGRO - - Interpretation by VAN BLARICOM GEOPHYSICAL RESEARCH INSTITUTE

Line 8532000 N IP Resistivity Profile Interpretation Toro Blanco Project Peru for Rae Wallace Mining Company



Data by FUGRO - - Interpretation by VAN BLARICOM GEOPHYSICAL RESEARCH INSTITUTE

ADDENDUM

Statistical Analysis

There are 7 different statistical analysis procedures used in processing the data. The data must pass these to "Pass Muster". These procedures are divided into two distinct categories.

The first (a) is a numerical analysis using standard statistical procedures such as but not limited to Averaging, Histograms, Scatter Plots, and Standard Deviations.

The second (b) is Spatial Statically Analysis procedures such as, but not limited to Kriging and Visual Spatial Analysis.

(1) The data is initially being gathered in the field by a Geophysicist or a Geophysical Technician; it is stacked or averaged. When the operator is aware of an increase in the noise level, he increases the stacking. This is accomplished by either increasing the number of data points for each stack, and or increasing the number of stacks for each data point. This improves the data quality. The process on increasing the number of data points for each individual stack also noticeably decrease in the standard deviation associated with the data point. This process of averaging several stacks of data is equivalent to the mathematically Average of an Average of a single data point. This is noted.

(2) When all of the data is collected on a single project; then histograms are created to give an accurate idea of the spread of the data; Figures 1 and 2. This is important in determining the color bands when producing color images. Many times several modes are clearly indicated in the data. These are instrumental in determining just what is data distribution for this particular set of data for this particular project area. Many times IP and Rho sections are imaged isolated from the entire data set. This gives a distortion to the image on each individual section.

(3)After the histograms have been created the data is sorted into each specific N Spacing. Then statically analysis is done for each group of n spacing's. That is the Average for each spacing, the Median, the Minimum , and the Standard Deviation (See figure 3). This process is also done to the entire data set as a single unite. This process is another method to determine the quality of the data set. It also gives an insight into the vertical distribution for both the IP and Rho. This gives insight into the vertical distribution of the sulfides, and an idea as to the depth of weathering and or alteration.

(4) Using the entire data sets again there are scatter plot made using the IP as the ordinate axis, and the Rho as the other axis (See figure 4). This allows us to easily determine how the resistivity and IP effect vary with respect to each other. Often seen is Low resistivity being associated with High IP effects; this might be indicative of massive sulfides. Sometimes a high resistivity is associated with high IP effects. This has been indicative that there may be some silification which also contains considerable sulfides. Or that the host rock was not substantively altered by the ore making processes.

(5) When the individual data sets for each profile are digitized I use a Kriging process to digitize that data. The Kriging digitization process involves a multitude of statistical analysis. This gives useful insight into the quality of the data set and how they correlate to their nearest neighbor.

(6) When the data set is imaged and contoured, then the relationship between each individual data set is clearly visible. This also helps in evaluating how effective the increased stacking increased the quality of the data in noisy areas.

(7) Contouring of the individual n spacing are also done again using the Kriging process. While this generally is not useful in the determination of an individual drill hole, it is quite useful in determining the lateral distribution of the individual parameters such as IP and Rho. This also provides a good indication as to whether or not the line spacing was adequate with respect to the "a" spacing and the target in question.

After the data passes muster, then the Geophysicist can start the interpretative processes. The combined processes should be done all by a single individual. An interpreter will gain insight into the data set during the statistical process which is instrumental in interpreting the data sets.

In the case of the Toro Blanco the IP and $\dot{\rho}_a$ (Rho_a Apparent Resistivity) there were times when the noise levels increased. However, the operator increased the stacking and the data was excellent.

The IP and $\dot{\rho}_a$ values are quite definitive of sulfide mineralization similar to that of other porphyry Cu/Au, or Au deposits.

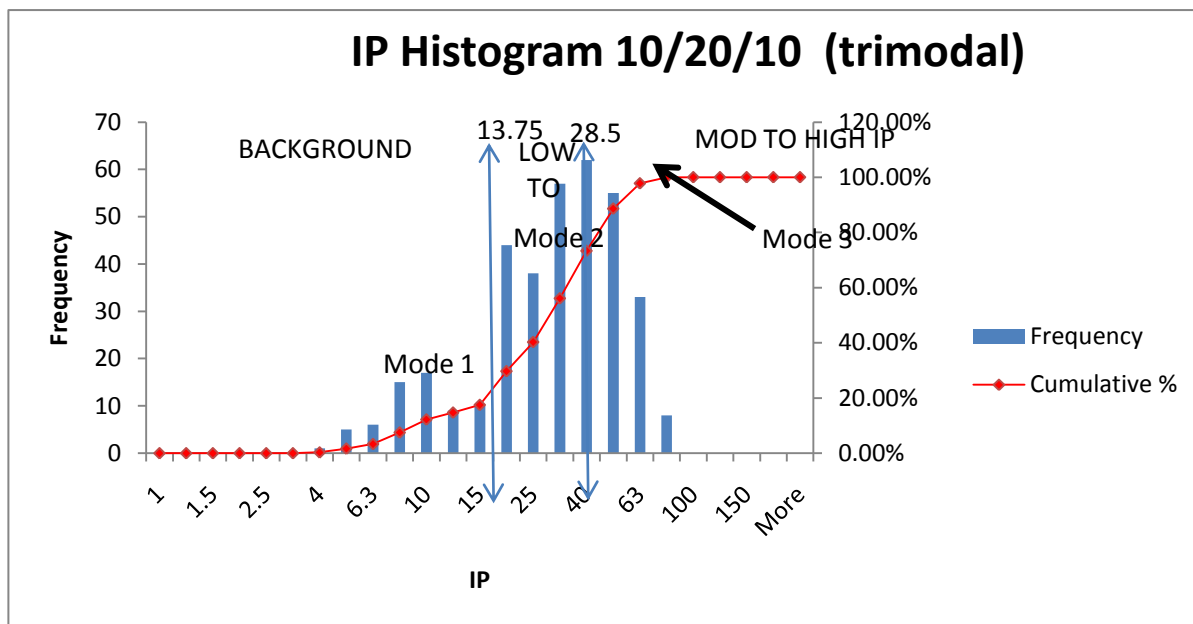


Figure 1

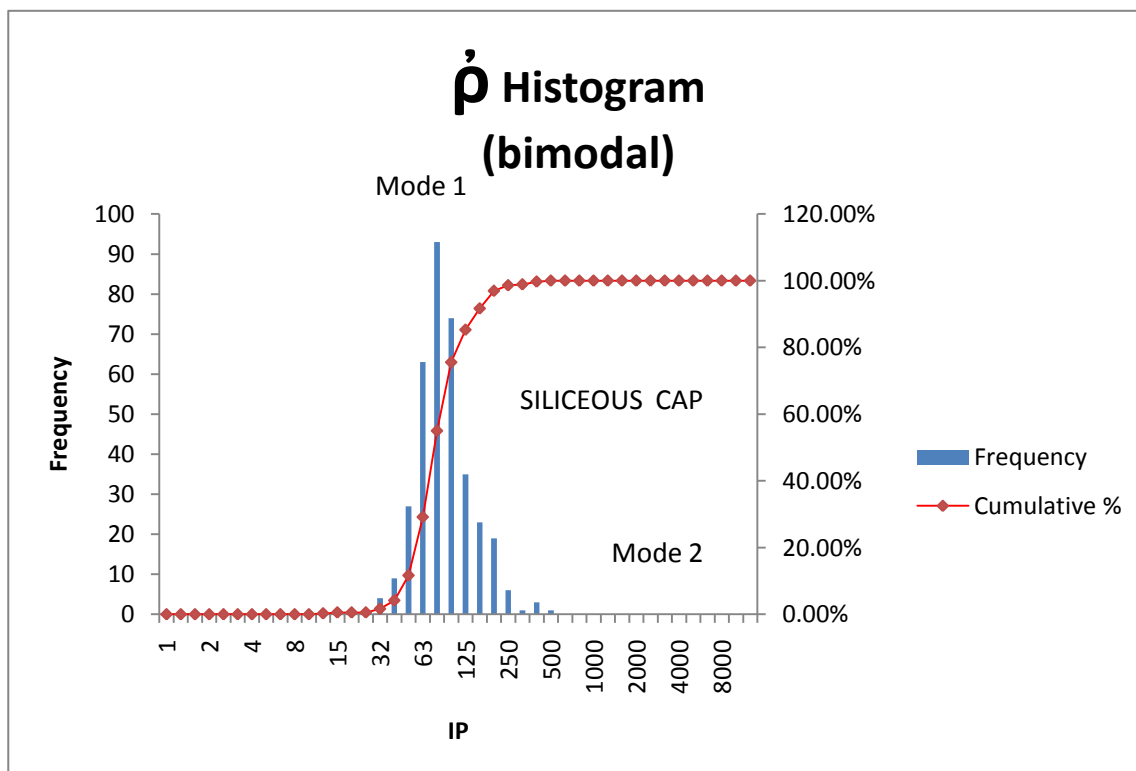


Figure 2

	C-Rho	
ALL DATA	a	Chargeability
Max	460.3	68.6
Average	85.4	59.3
Median	74.7	28.8
Min	11.8	3.7
stdev	50.7	15.6

N Spac		
0.5	C-Rho	Chargeability
	a	
Max	460.3	68.6
AVG	114.1	26.5
Median	94.3	22.7
Min	11.8	3.7
STDEV	79.7	18.9

N Spac		
3.5	C-Rho	Chargeability
	a	
Max	191.1	68.6
AVG	79.3	32.6
Median	73.8	34.9
Min	44	6.6
STDEV	28.2	14.7

N Spac		
1.5	C-Rho	Chargeability
	a	
Max	281.2	63.9
AVG	95.4	30.8
Median	90.8	27.9
Min	14.5	4.7
STDEV	43.7	17.7

N Spac		
4.5	C-Rho	Chargeability
	a	
Max	171.5	58.7
AVG	71.9	31
Median	68	31.8
Min	29.8	9.1
STDEV	24.9	11.8

N Spac		
2.5	C-Rho	Chargeability
	a	
Max	397.7	65.9
AVG	92.4	32.5
Median	77.5	32.2
Min	47	7.1
STDEV	51.8	16.1

N Spac		
5.5	C-Rho	Chargeability
	a	
Max	158.6	59.6
AVG	66.8	28.6
Median	65.5	28.6
Min	31.2	12.7
STDEV	22.1	9.7

Figure 3

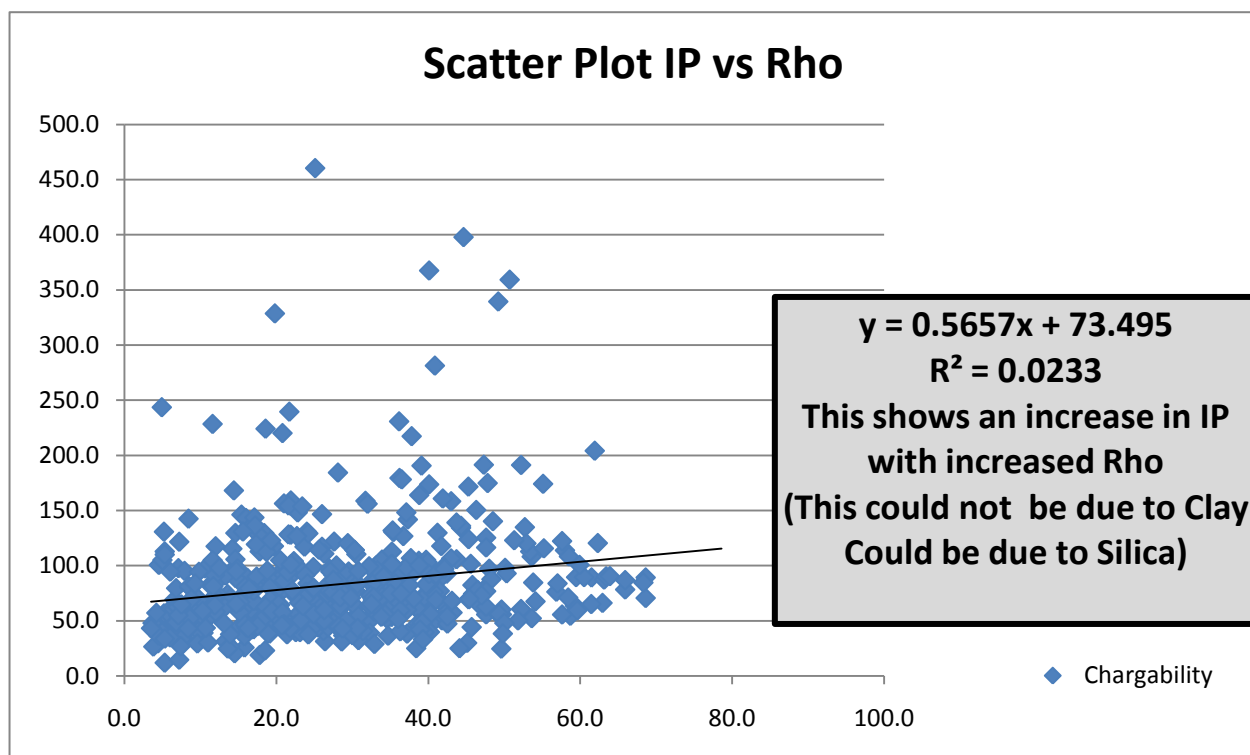


Figure 4 Scatter Plot IP vs Rho